

Internal Revenue Service

Number: **INFO 2009-0254**
Release Date: 12/31/2009

Index Number: 2101-00.00

Department of the Treasury
Washington, DC 20224

Person To Contact:

Telephone Number:

Refer Reply To:

CC:PSI:B04 – GENIN -119007-09

Date: July 6, 2009

Dear _____ :

This responds to your letter dated January 23, 2009, in which you raised questions regarding the administration of the estate of a Canadian citizen who owned property situated in the United States.

Unfortunately, we can only provide general information regarding the federal estate tax. We note that the Internal Revenue Code imposes an estate tax on the taxable estate of every decedent who is a nonresident of the United States and is not a citizen of the United States. However, this estate tax on estates of nonresident/noncitizen decedents is only imposed on the value of the decedent's assets that are situated in the United States at the time of the decedent's death. Generally, this estate tax applies if the assets located in the United States exceed \$60,000 in value. If property is subject to the federal estate tax, then the property includible in the gross estate is subject to a lien for a 10 year period, assuming any tax due is not paid sooner. This lien can be released under certain circumstances.

The questions you raise pertain to the administration of the estate under the laws of the state in which the decedent's property was located. As noted, we are unable to respond to these questions in a general information letter. We are enclosing a copy of IRS Publication 950, Introduction to Estate and Gift Taxes, and the instructions to Form 706NA, which discusses the application of the estate tax to noncitizen/nonresident decedents.

If you have any additional questions, please contact _____ at _____ .

Sincerely,

George L. Masnik
Chief, Branch 4
Office of the Associate Chief Counsel
(Passthroughs and Special Industries)

Enclosures
IRS Publication 950
Instructions to Form 706NA