

**STATE OF HAWAII
DEPARTMENT OF TAXATION**



**General Information
and Key From Image Specifications
for
Form M-6GS (Rev. 2010)**

Contact Information

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**Hawaii Software Vendor Website
Address:**

www.hawaii.gov/tax/vendor/vendor.htm

Note: Reproduced forms must meet the requirements as established in this document and our current Forms Reproduction Policy.

FORM M-6GS (Rev. 2010)

General Information and Key From Image Specifications

This document provides software vendors with the requirements for reproducing Form M-6GS. Form M-6GS requires manually keying data from the image or KFI. A 1D barcode must be present on the form.

The form must be an exact replica of the official version of the form with respect to layout, data dots, shading and content.

Substitute KFI forms MUST meet the requirements as established in this document and our current Forms Reproduction Policy, and be approved prior to release or distribution.

GENERAL INFORMATION

1. Substitute Form

- Photocopies of the form must not be submitted to the Department for processing. This will distort the 1D barcode.

2. Paper and Ink

- The paper size is 8.5 inches by 11 inches, the same size as the Department's original form. The paper weight must be at least 20 pound white bond and the page orientation is portrait.
- Black ink should be used in printing the text on the form and the variable data.

3. Variable Data

- All variable data fields must utilize 10 pt Courier font, and all variable text data must be in uppercase letters. Text labels must not touch variable data.

3. Testing and Approval of the KFI Form

- A review of the form will be done based on processing specifications. It is assumed that there are no spelling errors, incorrect or missing words, missing lines, etc.
- 1 test sample is required to be submitted. The sample must be an original. Photocopies, fax submissions, etc. will not be accepted.
- It will require 1 to 2 weeks, upon receipt by the Department, to verify the accuracy of the submitted sample.
- Approval of the facsimile must be obtained from the Department **prior** to filing.

KEY FROM IMAGE (KFI) SPECIFICATIONS

1. Layout

- The form must be an exact replica of the official Form M-6GS with respect to layout, data dots, shading, and content.

2. Hawaii Vendor I.D. Number

- Print your 2-digit Hawaii Vendor I.D. Number preceded with "ID NO" label at the top middle of the form below the form title. Exact placement is not required. See attached exhibit for suggested placement.
- See www.hawaii.gov/tax/vendor/vendor.htm for the Hawaii Vendor I.D. Number Listing. If your company is not listed, please contact the Forms Coordinator.

4. Barcode

- A 1-D barcode is specific to the form. The property of the 1-D symbology barcode uses 3 of 9 (Code 39).

- Placement of the barcode is as follows:

1-3/16 inches from top edge of form and 1/2 inch from left edge of form

- Height of the barcode is .5 inch.
- Length of the barcode is approximately 2 inches.

- Density of narrow bar width is set to 20 mils with resolution set to 300 dpi.
- Narrow to Wide Ratio is set to 2.
- A 1/4 inch minimum clearance (blank space) must surround the barcode with the exception of the text required to be printed underneath the barcode.
- DO NOT stretch the barcode image.
- The required barcode is DST101 for page 1:



DST101

- The barcode includes the form number code (DS), type of form (T), form year (10), and page number (1). There are no hyphens.
- Use of the Department of Taxation's JPEG file of the barcode is preferable. The JPEG file can be found at our software vendor website.
- DO NOT use Windows Metafile Format (wmf). This format causes a very low read rate by the Department's IBML scanners.

1-3/16 inches
from top edge
of the form

STATE OF HAWAII — DEPARTMENT OF TAXATION
**HAWAII GENERATION-SKIPPING
TRANSFER TAX REPORT
FOR CALENDAR YEAR 20** _____

THIS SPACE FOR DATE RECEIVED STAMP



DST101

(For generation-skipping transfers after April 30, 2010)
READ INSTRUCTIONS BEFORE COMPLETING REPORT

ID NO 12

Placement for Hawaii Vendor ID Number

1/2 inch from
the left edge
of the form

• PRINT OR TYPE	Name and title of person filing report		Social Security Number	
	Address of person filing report (Number and Street, including apartment number or rural route)		Federal Employer Identification Number	
	City, town or post office, State and Postal/ZIP code			
	Type of Federal Generation-Skipping Transfer Tax Return Filed: <input type="checkbox"/> Form 706-GS(D) <input type="checkbox"/> Form 706-GS(T)			

COMPUTATION OF TAX			
1	Enter the maximum state generation-skipping transfer tax credit allowable for federal generation-skipping transfer (GST) tax purposes (limited to 5% of the amount of the federal GST tax imposed on the transfer(s)) <i>Note: If any property is located in states other than Hawaii, complete Lines 2 through 7, otherwise go to Line 8</i>	1	
2	Enter the gross value of transferred property located outside of Hawaii which is subject to federal GST tax (See Instructions)	2	
3	Enter the gross value of all transferred property which is subject to federal GST tax	3	
4	Divide Line 2 by Line 3 (compute to three decimal places)	4	
5	Multiply Line 1 by Line 4	5	
6	Enter the total GST taxes paid to another state(s)	6	
7	Enter the lesser of Line 5 or Line 6 (allowable credit for GST taxes paid to another state(s))	7	
8	Hawaii Generation-Skipping Transfer Tax (Line 1 minus Line 7 or amount from Line 1 if no entries in Lines 2 through 7)	8●	
PENALTY AND INTEREST	9	Penalty: 5% per month or fraction thereof (Maximum of 25%)	9
	10	Interest From _____ to _____	10
TAX	11	TOTAL TAX, PENALTY, AND INTEREST (LINE 8 PLUS LINES 9 & 10)	11
	12	Amount paid with extension (Attach a copy of Form M-68GS.)	12
	13	Balance due or (refund) (Line 11 minus Line 12)	13
	14	Amount paid - Pay the amount due in full. (See Instructions)	14●

I declare, under the penalties set forth in section 231-36, HRS, that this report (including accompanying schedules or statements) has been examined by me and, to the best of my knowledge and belief, is a true, correct, and complete report, made in good faith, for the taxable year stated, pursuant to the Hawaii Estate and Transfer Tax, Chapter 236D, HRS.

PLEASE SIGN HERE	Signature of Distributee, Trustee, or Authorized Representative		Date
	Preparer's Signature and date	Preparer's identification number	Check if self-employed <input type="checkbox"/>
Print Preparer's Name			
PAID PREPARER'S USE ONLY	Firm's name (or yours if self-employed), address, and Postal/Zip Code		Federal E.I. No.
			Phone No.

A COPY OF THE FEDERAL GENERATION-SKIPPING TRANSFER TAX RETURN MUST BE ATTACHED TO THIS REPORT

GENERAL INSTRUCTIONS

NOTE: For transfers before May 1, 2010, use Form M-6GS (Rev. 2004)

NOTE: References to the federal Generation-Skipping Transfer Tax means the tax as determined under federal law as it read on December 31, 2009.

1. Purpose of Form — Section 236D-3.5, Hawaii Revised Statutes, provides for a state generation-skipping transfer (GST) tax. The tax is imposed on all generation-skipping transfers of property in Hawaii or property from a resident trust. The tax is due on a generation-skipping transfer (other than a direct skip) that occurs at the same time as, or as a result of, the death of an individual. Property subject to Hawaii GST tax includes all real and personal property subject to the federal GST tax. Hawaii GST tax is equal to the amount of the federal credit for state taxes allowed by Internal Revenue Code section 2604 as it read at December 31, 2000.

A credit is allowed for GST taxes paid to another state. If the GST is subject in another state to a similar tax and qualifies for the federal credit, the amount of the tax due is credited with the lesser of (1) the amount of the tax paid to the other state and credited against the federal tax; or (2) an amount computed by multiplying the federal credit by a fraction, the numerator of which is the value of the property subject to GST tax paid to the other state, and the denominator of which is the value of all property subject to the federal GST tax. If either (1) or (2) results in an amount less than the total federal credit allowed being paid to all states which may claim any part of the credit, then the interested states may agree to a fair and equitable apportionment of the credit without regard to the residence of the trust.

2. Who Must File —The Form M-6GS is filed by the person or persons responsible, or who would be responsible, for filing the federal GST tax return.

3. Time to File —This report is due on or after January 1 but not later than April 15 of the year following the calendar year when the distributions were made, including any extensions of time for filing this report. An automatic six-month extension to file the report may be requested by filing Form M-68GS on or before the due date of the report.

An extension of time to file is not an extension of time to pay the tax. Any request for an extension of time to file the Hawaii Generation-Skipping Transfer Tax Report must be accompanied by payment of the tax. Interest will be owed on any additional amount of tax over the amount paid with the extension to file.

4. Where to File —The completed report is mailed to the Hawaii Department of Taxation, P. O. Box 259, Honolulu, HI 96809-0259.

5. Payment of Tax — Due date of payment is the same as time for filing. However, any tax due but not paid by the due date will incur interest from the due date, regardless of any extension of time to file the report. For taxable distributions, the GST tax is paid by the transferee; in the case of

a taxable termination or a direct skip from a trust, the tax is paid by the trustee. For a direct skip other than a direct skip from a trust, the transferor is liable for paying the tax.

6. Estimated Tax Payment — Persons who will be filing Form M-6GS after the filing deadline (by April 15 of the year following the calendar year when the distributions were made or the termination occurred) because they have an extension may make an estimated tax payment prior to filing Form M-6GS by submitting a letter, Form VP-2, and payment for the estimated tax due. Include this amount on line 12.

7. Federal Form Requirement — A complete true copy of the appropriate federal Generation-Skipping Tax Return Form 706-GS(D)(Rev. 2008) or Form 706-GS(T)(Rev. 2008) must be filed with this report. Complete federal Form 706-GS(D)(Rev. 2008) through line 7, or federal Form 706-GS(T)(Rev. 2008) through line 10. The federal Generation-Skipping Transfer Tax is to be determined under federal law as it read on December 31, 2009.

8. Changes to Hawaii Generation-Skipping Tax Report (Form M-6GS) — If changes need to be made to the Hawaii Generation-Skipping Transfer Tax Report, an amended report must be filed. Complete Form M-6GS, write "AMENDED" at the top of the report, and attach a statement of the changes and corrections made. Schedule AMD may be used for this statement. Attach any federal Form 706-GS(D)(Rev. 2008) or 706-GS(T)(Rev. 2008) schedules affected by the corrections or changes.

An amended report must be filed anytime the Hawaii report needs adjustment. In the case of property located in states other than Hawaii, a Hawaii amended report must also be filed when the tax paid to other states changes. Interest or penalties paid to other states for delinquent tax payments cannot be included on line 6.

9. Penalty and Interest —

(a) *Penalty* for failure to file is equal to 5% of the tax due for each month or part of a month that the report is delinquent, up to a maximum of 25% of the tax payable.

(b) *Penalty* for failure to pay after filing timely report is 20% of the tax unpaid within 60 days of the prescribed due date. The 60-day period is calculated beginning with the prescribed due date even if the prescribed due date falls on a Saturday, Sunday, or legal holiday.

(c) *Interest* is computed on underpayment or nonpayment of tax at a rate of 2/3 of 1% a month or part of a month which begins to run after April 15 of the year following the calendar year when the distribution or termination occurs, *regardless* of any extension to file the report or pay the tax.

SPECIFIC INSTRUCTIONS

Name — Enter the name of the skip person distributee or the trust.

Social Security Number — For skip person distributees who are individuals, enter the

distributee's social security number, otherwise leave blank.

Federal Employer Identification Number — Enter the federal employer identification number of the trust distributee or trust.

Name and Title of Person Filing Return — If the skip person distributee is a trust, enter the trustee's name. If the skip person distributee is a minor or is under some disability that precludes the individual from filing the report, enter the name of the person who is legally responsible for conducting the affairs of the distributee, such as a parent or guardian, also, include the title or relationship to the distributee.

Address — Enter the address of the person filing the report.

Type of Federal Return Filed — Check the appropriate box. Be sure to attach a complete true copy of the appropriate federal return to this report.

Line 1 — Enter the maximum credit for state GST taxes from federal Form 706-GS(D) or 706-GS(T). If a generation-skipping transfer (other than a direct skip) occurs at the same time as, or as a result of, the death of an individual, a credit is allowed against the federal GST tax for the GST tax actually paid to any state in respect to any property included in the generation-skipping transfer, *however*, the aggregate amount allowed as a credit is limited to 5% of the amount of the federal GST tax that would have been imposed on the transfer(s).

Complete lines 2 through 7 ONLY if there is property located in states other than Hawaii.

Line 2 — Enter the appropriate gross value:

A. *Resident*, enter the entire value of the transferred or distributed property located outside of Hawaii (includes intangible and tangible property with a situs outside Hawaii).

B. *Nonresident*, enter the entire value of the transferred or distributed property less the value of any interest in Hawaii real and tangible personal property located in Hawaii. Include the amount of intangible property with a business situs in Hawaii. (Identify Hawaii property on federal Form 706-GS(D) or 706-GS(T)).

Line 3 — Enter the gross value of the transferred property. This amount is the total gross transfers reported on the federal return. This gross amount is prior to any adjustments for expenses or any other allowable deductions used in computing the taxable transfer amounts.

Line 6 — Enter the total of all GST taxes actually paid to any state other than Hawaii in respect of any property subject to the GST tax.

Line 7 — Compare lines 5 and 6 and enter the lesser amount. This is the allowable credit for GST taxes paid to another state(s).

Line 14 — Pay the amount shown. Attach a check or money order payable to "Hawaii State Tax Collector"; pay in U.S. dollars drawn on any U.S. bank. Do not send cash.