



Gift Tax Return of Donor

State of Louisiana
Department of Revenue



Instructions for Completing the Louisiana Gift Tax Return

General Information

Requirements for filing—Every individual, association, partnership, or corporation making a gift to a single donee, totaling more than the amount of the annual exclusion provided by Louisiana Revised Statute 47:1205(A), must file a Gift Tax Return of Donor (R-3302). If a gift exceeds the annual exclusion, a return must be filed although no tax is due either because an exempt transfer is allowed under R.S. 47:1204 or because the taxpayer elects to allocate a portion of his \$30,000 specific lifetime exemption to the gift. A separate return must be filed for each calendar year that property is transferred by gift.

Time for filing return and paying tax—The return must be filed with the Louisiana Department of Revenue, Inheritance and Gift Tax Section, P.O. Box 201, Baton Rouge, Louisiana 70821-0201, on or before the fifteenth day of April immediately following the calendar year in which the gift was made. Payment of the tax due must accompany the return. Make payment to the “Department of Revenue.” Do not send cash.

Basis of the tax—The true and full value of the property based on the interest conveyed at the date of transfer shall be the value of the gift for the purpose of computing the tax due.

Taxable year—The current taxable year is the calendar year for which the return is being filed.

Taxable gifts in prior years—Refers to taxable gifts made in calendar years prior to the current taxable year. The gifts must have been previously reported on R-3302, and tax must have been paid.

Transfers by residents—The tax is imposed upon the transfer of all property located in Louisiana. For this purpose, intangible property owned by a Louisiana resident is deemed to be located in Louisiana.

Transfers by nonresidents—The tax is imposed upon all tangible movable and immovable property located in Louisiana.

Exempt transfers—R.S. 47:1204 provides that the following transfers shall be exempt from tax:

- (1) Gifts to charitable, religious, or educational institutions located within the State of Louisiana, provided the net earnings of the organization benefit no private shareholder or individual.
- (2) Gifts made to the United States, the State of Louisiana, or any political subdivision of Louisiana (parish, municipality, or town), or civic organizations, provided the donor receives no direct or indirect benefit as a result of such donations.
- (3) Gifts made by a person to his spouse beginning with calendar year 1992.

Gift splitting of separate property given by husband or wife to third party—R.S. 47:1205(C) considers gifts of separate property made by one spouse to a third party (i.e. someone other than his or her spouse) as if one-half is made by each spouse, provided that:

- (1) each spouse is a resident of Louisiana at the time of the gift; and
- (2) both spouses signify on their Louisiana gift tax return their consent to split the gift.

For purposes of the statute, an individual is considered as the spouse of another individual only if he is married to such individual at the time of the gift and does not remarry during the remainder of the calendar year. Consent to gift splitting must be signified under the section of the return titled “Declaration By Signature.”

Annual exclusion—R.S. 47:1205(A) provides for the annual exclusion of an amount, not to exceed \$10,000 per donee, for gifts made prior to January 1, 2002. For gifts made after December 31, 2001, the amount of the exclusion per donee shall equal the amount of the federal annual exclusion as determined in accordance with 26 USCA 2503(b)(2).

Specific exemption—In addition to the annual exclusion, R.S. 47:1205(B) provides a specific lifetime exemption to each donor, not to exceed \$30,000. The exemption can be used to reduce the amount of any gifts made by a donor. A donor may attribute the total \$30,000, or any portion of the exemption, in any one calendar year or spread it over many calendar years to reduce a gift.

Rate of tax—The tax is calculated on the total of all taxable gifts made by a donor during his lifetime. A taxable gift is that amount by which the gift exceeds the applicable annual exclusions and any portion of the specific exemption claimed and allowed. The first \$15,000 in taxable gifts is taxed at 2 percent, and all taxable gifts in excess of \$15,000 are taxed at 3 percent.

Interest—R.S. 47:1601 provides for the payment of interest on all taxes paid after the due date at the rate of 15 percent per annum (1.25 percent per month). Interest is calculated from the due date of the return until the tax is paid.

Delinquent penalty and late payment penalty—R.S. 47:1602 imposes a delinquent penalty for the filing of a return after it becomes due. In addition, the statute imposes a late-payment penalty for the failure either to remit the total amount of tax shown due on a return that has been filed or to submit a written statement of estimated tax due with a request for an extension of time for filing a return. The penalty is 5 percent of the tax for each 30 days, or fraction thereof, a return is delinquent or a remittance is late. In no instance, however, shall the penalty exceed 25 percent of the tax.

Extension of time for filing a return—The Secretary of Revenue may grant an extension of time for filing the return for a period not to exceed six months from the due date of the return. All requests for an extension must be in writing and must be received prior to the due date of the return. To avoid imposition of a late payment penalty, remittance of estimated tax due must also accompany the request. The Secretary may accept an extension of time to file a federal gift tax return for the same tax year as an extension to file R-3302.

Specific Instructions

Schedule A - Computation of Taxable Gifts and Tax

Line 1 - Total gifts for current year—Enter the total gifts for the current taxable year from Schedule B.

Line 2A - Total annual exclusions—Enter the total amount of annual exclusions. For gifts made prior to January 1, 2002, this amount may not exceed \$10,000 per donee. For gifts made after December 31, 2001, the amount of the exclusion per donee shall equal the amount of the the federal annual exclusion as determined in accordance with 26 USCA 2503(b)(2).

Line 2B - Specific lifetime exemption claimed—Enter the amount of the specific lifetime exemption being claimed on this return. The specific exemption is limited to \$30,000. This means that the total amount of any exemption claimed in prior years (see Line 1B of Schedule C) plus any amount claimed on this return may not exceed \$30,000.

Line 2C - Gifts to spouse—Enter the total amount of any gifts made to your spouse during the current taxable year. This exemption applies only to gifts made after December 31, 1991.

Line 2D - Charitable, religious, and educational exemptions—Enter the amount of any gifts made during the current taxable year to charitable, religious, or educational institutions located within Louisiana.

Line 3 - Total exemptions—Add Lines 2A, 2B, 2C, and 2D, and enter the total.

Line 4 - Taxable gifts for current year—Subtract Line 3 from Line 1, and enter the result.

Line 5 - Add taxable gifts in prior years—Enter the taxable gifts made in prior years from Line 1A of Schedule C. This amount should not exceed \$15,000.

Line 6 - Total taxable gifts—Add Lines 4 and 5, and enter the total.

Line 7A - Calculation of tax—Multiply the first \$15,000 of Line 6 by 2 percent, and enter the result. This amount should not exceed \$300.

Line 7B - Calculation of tax—Multiply the balance of Line 6, if any, by 3 percent, and enter the result.

Line 8 - Total tax—Add Lines 7A and 7B, and enter the total.

Line 9 - Less credit for tax paid on taxable gifts in prior years—Multiply Line 5 by 2 percent, and enter the result. This amount may not exceed \$300.

Line 10 - Gift tax for current year—Subtract Line 9 from Line 8, and enter the result.

Line 11 - Interest—Multiply Line 10 by 1.25 percent for each 30 days the return is delinquent, and enter the result.

Line 12 - Penalty—Multiply Line 10 by 5 percent for each 30 days or any portion thereof the return is delinquent. The total delinquent penalty shall not be greater than 25 percent of the tax. If payment for the total tax on Line 10 does not accompany the return (or an estimated statement of tax due does not accompany a request for an extension), a late payment penalty equal to 5 percent of the deficiency for each 30 days, or portion thereof, the deficiency goes unpaid will be assessed. However, combined delinquent penalty and late-payment penalty shall not be greater than 25 percent of the total tax due.

Line 13 - Total amount due—Add Lines 10, 11, and 12, and enter the result.

Line 14 - Amount paid with extension—Enter the amount of any payment previously submitted with a request for an extension to file.

Line 15 - Balance of tax due or refund due—Subtract Line 14 from Line 13, and enter the result. If Line 14 is greater than Line 13, enter the amount of your refund. If Line 14 is smaller than Line 13, enter the amount you must pay.

Schedule B - Total Gifts During Calendar Year

Item number—Number each gift made during the calendar year using either numerical or alphabetical characters.

Donee's name and address, description of gift—Enter the name and address of each donee and a brief description of the property transferred to the donee. A copy of the act of donation should accompany the return for gifts of real estate.

Indicate community or separate property—Use “C” or “S” to indicate whether the property donated is community or separate property.

Date of gift—Enter the date the gift was made.

Value of gift—Enter the value the gift had on the date it was transferred. If the gift was made with the understanding that the donee would pay the tax, the value of the gift can be reduced by the amount of the tax. If the gift was separate property that you or your spouse have consented to split, only one-half its value should be listed. Your spouse must file a separate return claiming the other one-half. See the instructions to Schedule D below.

Schedule C - Prior Year Gifts

Schedule C is applicable only if you made taxable gifts in prior years. If not, proceed to Schedule D.

Line 1A—If the answer to Line 1 is yes, enter the lesser of \$15,000 or the total amount of taxable gifts made in prior years. Also, enter this amount on Line 5 of Schedule A.

Line 1B—Enter the total amount of specific lifetime exemption claimed in prior years. This amount, plus any amount claimed on Line 2B of Schedule A, may not exceed \$30,000.

Schedule D - Consent for Gift Splitting of Separate Property

Schedule D is applicable only if you or your spouse have made a gift of separate property to a third party. In such instances, R.S. 47:1205(C) provides that both spouses must consent to the gift splitting. Each party must file a separate return.

Line 1—Enter your spouse's name: first name, middle initial, and last name.

Line 2—Enter your spouse's Social Security Number.

Line 3—Indicate whether you and your spouse were married the entire calendar year. If yes, proceed to “Declaration By Signature.” If no, complete Line 4.

Line 4—Indicate married, divorced, or widowed and the date.

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