



TaxNewsFlash

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Rev. Proc. 2017-34: Simplified method, extension of time for electing portability of deceased spousal unused exclusion

The IRS today released an advance version of Rev. Proc. 2017-34 that provides a simplified method to obtain an extension of time under Reg. section 301.9100-3—the “9100 relief” provisions—to file a return to elect portability of the “deceased spousal unused exclusion” (DSUE) amount under section 2010(c)(5)(A).

[Rev. Proc. 2017-34](#) [PDF 43 KB] applies to estates that are not normally required to file an estate tax return because the value of the gross estate and adjusted taxable gifts is under the filing threshold in section 6018(a).

Background

For purposes of the federal estate and gift taxes, a portability election allows a DSUE amount to become available for application to the surviving spouse’s subsequent transfers during life or at death.

In February 2014, the IRS issued Rev. Proc. 2014-18 that provided a simplified method for obtaining an extension of time under the “9100 relief” provisions to make a portability election that was available to estates of decedents dying after 2010, if the estate was not required to file an estate tax return and if the decedent was survived by a spouse. This simplified method was available only on or before December 31, 2014.

After 2014, the IRS issued “numerous letter rulings” granting an extension of time to elect portability under section 2010(c)(5)(A) when the decedent’s estate was not required to file an estate tax return.

Rev. Proc. 2017-34

In today's guidance, the IRS stated that it has determined that the "considerable number of ruling requests" for an extension of time to elect portability "indicates a need for continuing relief for the estates of decedents having no filing requirement."

Accordingly, today's revenue procedure allows for use of a simplified method to obtain an extension of time under the 9100 relief provisions to elect portability (provided that certain requirements are satisfied). The IRS made this simplified method available for all eligible estates through January 2, 2018, or the second anniversary of the decedent's date of death. The IRS explained in the revenue procedure why the relief was not made as a permanent and unlimited extension.

The simplified method provided in Rev. Proc. 2017-34 is to be used in lieu of the letter ruling process. No user fee is required for submissions filed under the revenue procedure.

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