

WEST VIRGINIA FIDUCIARY INCOME TAX RETURN

(for resident and nonresident estates and trusts)



Calendar Year \_\_\_\_\_ or Fiscal Year Ended \_\_\_\_\_, 20\_\_\_\_\_

Form header section including: Federal Employer's ID No. of Estate or Trust, Name of Estate or Trust, Name, Address and Title of Fiduciary, Type of Entity (Decedent's Estate, Simple Trust, Complex Trust, Grantor Type Trust, Bankruptcy Estate), Check One (Resident Estate or Trust, Nonresident Estate or Trust), Decedent Information (Date of Decedent's Death, Decedent's Social Security Number, Was Final Individual Return Filed For Decedent?), and Check If Applicable (Final Return, Amended Return).

Main table with 29 rows for tax calculations. Columns include line numbers, descriptions, and numerical input fields. Rows are categorized into: FIDUCIARY INCOME TAX (lines 1-15), NONRESIDENT WITHHOLDING (lines 16-25), and SUMMARY (lines 26-29).

Mail to:

West Virginia State Tax Department
Internal Auditing Division
P.O. Box 1071
Charleston, West Virginia 25324-1071





**SCHEDULE NR**



**PART I - NONRESIDENT INCOME AND ALLOCATION**  
(To be completed by nonresident estates and trusts only)

INCOME	COLUMN I		COLUMN II	
	REPORTED ON FEDERAL RETURN		ALLOCATED TO WEST VIRGINIA	
1. Interest Income .....	1		1	
2. Dividends .....	2		2	
3. Business Income or (loss) .....	3		3	
4. Capital gain or (loss) .....	4		4	
5. Rents, royalties, partnerships, other estates and trusts, etc. ....	5		5	
6. Farm Income or (loss) .....	6		6	
7. Ordinary gain or (loss) .....	7		7	
8. Other Income (state nature of income) _____	8		8	
9. Total Income (add lines 1 through 8) .....	9		9	

DEDUCTIONS	COLUMN I		COLUMN II	
	REPORTED ON FEDERAL RETURN		ALLOCATED TO WEST VIRGINIA	
10. Interest .....	10		10	
11. Taxes .....	11		11	
12. Fiduciary Fees .....	12		12	
13. Charitable Deduction .....	13		13	
14. Attorney, accountant, and return preparer fees .....	14		14	
15. Other Deductions .....	15		15	
16. Total (sum of lines 10 through 15) .....	16		16	
17. Adjusted total income or (loss) (line 9 minus line 16) .....	17		17	
18. Income distribution deduction .....	18		18	
19. Estate tax deduction .....	19		19	
20. Federal exemption .....	20		20	
21. Total deductions (sum of lines 18 through 20) .....	21		21	
22. Taxable income of fiduciary (line 17 minus line 21) .....	22		22	

**PART II - CALCULATION OF WEST VIRGINIA TAX**

- 23. West Virginia Taxable Income (page 1, line 3) .....
- 24. Tentative Tax (Apply rate schedule to the amount on line 23) .....
- 25. Income Percentage (carry to four decimal places)  

$$\frac{\text{WV income (line 22, col.II)}}{\text{Federal income (line 22, col.I)}} =$$
- 26. West Virginia Tax (Line 24 times line 25)  
(Enter here and on page 1, line 4) .....

**Note:** In the case of a trust, the federal income used in the calculation of the income percentage (line 3) must be increased by the amount of any gain (reduced by any deductions) upon which tax is imposed under section 644 of the Internal Revenue Code.

**Check box on line 4, page 1 for Schedule NR.**

# INSTRUCTIONS FOR NONRESIDENT ESTATE OR TRUST

## GENERAL INSTRUCTIONS

Schedule NR must be completed for all nonresident estates and trusts having items of income, gain or deduction derived from West Virginia sources. Schedule NR is designed to conform to the federal fiduciary return. Column I must be completed regardless of the source of income, gain or deduction. These figures are taken directly from Federal Form 1041. In column II, enter the amount which is attributable to or connected with West Virginia sources. Because of the conformity of all amounts in

column I of Schedule NR to the federal return, the instructions for the federal are equally applicable here. The specific instructions below relate only to column II, to be used by nonresident estates and trusts for allocation of income and deductions to West Virginia and for determining the West Virginia income distribution deduction and West Virginia taxable income.

### SPECIFIC INSTRUCTIONS FOR SCHEDULE NR (Column II)

*Enter that amount which is attributable to West Virginia only.*

**Lines 1 and 2 - Interest and dividends:** Interest and dividends should be allocated to West Virginia only to the extent that such income is from property employed in a business, trade, profession or occupation carried on in this State.

**Line 3 - Business income or (loss):** Enter the amount of gross profit or (loss) from any trade, business or profession carried on within West Virginia. If separate accounting is not maintained for the West Virginia business, income derived from business carried on both within and without the State must be allocated by a fair and equitable method; and such method of allocation must be explained by a separate statement attached to the return.

**Line 4 - Capital gain or (loss):** Enter the net amount of gains or (losses) from capital assets. The net gains or (losses) allocable to West Virginia are those from the sale or exchange of property having a situs within the State.

**Line 5 - Rents, royalties, partnerships, other estates and trusts:** Enter the amount of gross rents and royalties received from real or tangible personal property having a situs in West Virginia. Also, enter the amount of income from partnerships and other fiduciaries. This would be the proportionate share of income from a resident partnership, estate or trust, or from the West Virginia portion of a nonresident partnership, estate or trust.

**Line 7 - Ordinary gain or (loss):** Enter the amount of gain or (loss) from the sale or exchange of property other than capital assets and also from involuntary conversions (other than casualty or theft).

**Line 8 - Other income:** Enter the total amount of other income which is allocated to West Virginia and not specifically mentioned above.

**Line 10 - Interest:** Enter the total amount of interest expense allocated to West Virginia. Interest is only allocated to the extent to which it can be

related to items of income allocated to West Virginia.

**Line 11 - Taxes:** Enter the amount of taxes allocated to West Virginia. Taxes are allocated to the extent such are connected with the operation of a business or property having a situs within the State.

**Line 12 - Fiduciary fees:** Enter the deductible fees paid to the fiduciary for administering the estate or trust during the tax year that are connected to West Virginia. **Note:** Fiduciary fees deducted on Federal Form 706 cannot be deducted on this form.

**Line 13 - Charitable deduction:** Charitable contributions can be allocated to the extent they are made to West Virginia charities or are gifts to the State or any political subdivision of the State.

**Line 14 - Attorney, accountant, and return preparer fees:** Enter the deductible fees paid by the estate or trust during the tax year that are connected with West Virginia.

**Line 15 - Other deductions:** Enter the total amount of all other expenses authorized by law and allocated to West Virginia. These expenses must be connected with income previously allocated to West Virginia.

**Line 18 - Income distribution deduction:** In order to establish the West Virginia allocation percentage, divide the amount on line 17, col. II by the amount on line 17, col. I. Multiply the West Virginia percentage by amount on line 18, col. I and enter the product in col. II. This amount will be your West Virginia distribution deduction.

**Line 19 - Estate tax deduction:** Enter the estate tax deduction which is attributable to West Virginia.

**Line 20 - Federal exemption:** Enter the amount of the federal exemption from Form 1041, in both col. I and col. II (this amount need not be allocated).

# WEST VIRGINIA FIDUCIARY INCOME TAX RETURN INSTRUCTIONS

## GENERAL INSTRUCTIONS

### RESIDENT AND NONRESIDENT ESTATE AND TRUST DEFINED-

Form IT-141 is designed to be used for either a resident or nonresident estate or trust. For income tax purposes, a resident estate or trust means: (a) the estate of a decedent who at his/her death was domiciled in this state, (b) a trust created by will of a decedent who at his/her death was domiciled in this state, or (c) a trust created by or consisting of property of a person domiciled in this state. A nonresident estate or trust is one other than a resident estate or trust as defined above. The residence of the fiduciary does not affect the classification of the estate or trust as a resident or nonresident.

**ESTATES AND TRUSTS REQUIRED TO FILE A RETURN** - Fiduciary returns must be filed for the following estates and trusts:

- Resident estates or trusts required to file a Federal Income Tax return, or having any West Virginia taxable income.
- Nonresident estates or trusts having items of income or gain derived from West Virginia sources.

**WHEN TO FILE** - All returns must be filed on or before the 15th day of the fourth month following the close of the taxable year. The taxable year of the estate or trust for West Virginia income tax purposes is the same as the one used for federal tax purposes.

**WHERE TO FILE** - All returns must be filed with the West Virginia State Tax Department, Internal Auditing Division, P.O. Box 1071, Charleston, West Virginia 25324-1071.

**USE OF FEDERAL FIGURES** - All items of income and deduction to be used for West Virginia tax purposes are the same as for federal tax purposes and the meaning of all terms is the same, but are subject to verification, audit and revision. Please see the instructions for nonresident estates or trusts.

**EXTENSION OF TIME TO FILE** - Any estate or trust needing an extension of time to file the West Virginia Fiduciary Income Tax Return (Form IT-141) and/or that expects to owe income tax and/or nonresident withholding tax must file Form WV/NRW-1, Extension of Time to File Information Returns. File Form WV/NRW-1 on or before the due date of your return. Any estate or trust granted an extension of time to file their federal return is granted the same extension of time to file their West Virginia return. An extension of time to file does not extend the time for payment. To avoid interest and additions to tax for late payment, use Form WV/NRW-1 to make a tentative payment pending the filing of your annual return.

**NONRESIDENT BENEFICIARY WITHHOLDING** - Estates and Trusts are required to withhold West Virginia Income Tax from each nonresident beneficiary that has not given to the Estate or Trust a West Virginia Nonresident Income Tax Agreement, Form WV/NRW-4. The amount of withholding tax payable is four percent (4%) of a pass-through entity's effectively connected taxable income, which may be lawfully taxed by West Virginia, and which is allocable to a nonresident beneficiary.

The nonresident beneficiaries may claim the amount of tax withheld as a credit against his or her West Virginia Personal Income Tax liability by attaching a copy of the information statement provided by the Estate or Trust to their West Virginia Nonresident Personal Income Tax Return, Form IT-140NR/PY.

**PAYMENT OF TAX WITHHELD** - The entire amount of tax withheld from the nonresident beneficiary is required to be paid with the annual return Form IT-141 on or before the 15th day of the fourth month following the close of the taxable year of the Estate or Trust. Make check payable to the West Virginia State Tax Department. An extension of time to file does not extend the date for payment of tax.

**INFORMATION STATEMENT OF TAX WITHHELD** - Every Estate or Trust required to deduct and withhold tax on nonresident beneficiaries, must provide an information statement to each nonresident beneficiary on or before the date it files its West Virginia Fiduciary Tax Return. The information statement shall show the amount of West Virginia Income subject to withholding and the amount of West Virginia Income Tax withheld. The Estate or Trust may satisfy this requirement by indicating this information on Form WV/NRW-2, Statement of West Virginia Income Tax Withheld for Nonresident Individual or Organization or in the supplemental area of the nonresident beneficiary's copy of Federal Schedule K-1 or by an attachment to the Federal Schedule K-1 listing the same information. The nonresident beneficiary must attach their copy of this statement to their **WEST VIRGINIA** Income Tax Return to claim credit for the tax withheld.

**COMPOSITE RETURN** - An Estate or Trust, instead of withholding tax on taxable distributions to its nonresident beneficiaries, may opt instead to satisfy the nonresident withholding requirements by filing a West Virginia Nonresident **Composite** Income Tax Return (Form IT-140NRC) for its nonresident beneficiaries. A composite return is a return filed on a group basis as though there was only one taxpayer. A list setting forth the name, address, social security number and the beneficiary's share of West Virginia income of each beneficiary included in the return must be maintained. The list should **NOT** be submitted with the composite return, but should be made available to the West Virginia State Tax Department upon request. The return does not have to be signed by each nonresident beneficiary. However, it must be signed by the executor or administrator of the estate, or trustee of the trust filing the composite return.

When filing a composite return, no personal exemptions may be utilized and the rate of tax is 6 1/2 percent of the taxable income. The Estate or Trust is responsible for collecting and remitting all income tax due at the time the return is filed. The due date for the composite return is the 15th day of the fourth month following the close of the taxable year. A \$50.00 filing fee must accompany the composite return.

Any nonresident beneficiary included in a composite return that has income from any other West Virginia source, must file a separate Nonresident Personal Income Tax Return and pay Personal Income Tax on the other West Virginia source income.

## SPECIFIC INSTRUCTIONS

**A resident estate or trust** must complete page 1 and Schedule A and B (if applicable) of Form IT-141. A nonresident estate or trust must also complete Schedule NR, Parts I and II. A simple trust having no taxable income must complete the first three lines of page 1, and Schedules A and B, if applicable.

**Line 4-West Virginia tax:** The amount of West Virginia income tax is to be calculated from the West Virginia Tax Rate Schedule. A nonresident estate or trust must complete Schedule NR to determine the amount of West Virginia tax. If the estate or trust was subject to the Federal Minimum or Alternative Minimum Tax, Schedule T must be used to compute the West Virginia total tax due.

**Line 5-Business Credits:** The sum of the following (1) Credit for B&O Tax imposed (Sch. C), (2) Military Incentive Credit (Sch. J), (3) WV Capital Company Credit (Sch. CCP), (4) WV Business Investment and Jobs Expansion Credit (Sch. BCS-1 or BCS-Small), and (5) Credit for Qualified Rehabilitated Buildings Investment (Sch. RBIC).

**Line 6-Credit for income taxes paid to other states:** The amount to be entered here is to be determined by the completion of Schedule E, Form IT-140 (West Virginia Resident Income Tax Return). The schedule and a copy of the other state's return must be attached to support this entry.

**Line 7 - Fiduciary Income Tax Payments:** Enter fiduciary income tax payments on this line. Include any previous payments with extension of time, or if this is an amended return enter the amount of fiduciary income tax paid with the original return.

**Line 10 - Interest:** You must pay the entire tax due on or before the due date of the tax return (determined without regard to an extension of time to file). If you do not pay the entire tax due on or before the due date, you must pay interest on

the amount of the underpayment from the due date to the date paid. Interest is always due, without exception, on any underpayment of tax.

Interest is imposed at an adjusted rate established by the Tax Commissioner. The annual rate will never be less than eight percent (.08). The interest rate will be determined and in effect for periods of six months.

Contact the West Virginia State Tax Department, Taxpayer Services Division, for the interest rate currently in effect. The telephone number is (304) 558-3333 or toll free to: 1-800-982-8297.

**Line 11 - Additions to Tax - Late Filing:** Additions to tax are imposed for failure to file a return on or before the due date (determined without regard to an extension of time to file). On any amount of tax shown to be due on the return, the additions to tax for late filing is five percent (.05) per month or any part of a month not to exceed twenty-five percent (.25).

**Late Payment:** Additions to tax are imposed for failure to pay all tax shown to be due on a return on or before the due date (determined without regard to an extension of time to file). The additions to tax for late payment is imposed at the rate of one half of one percent (.005) per month or part of a month not to exceed twenty-five percent (.25).

When both the five percent (.05) additions to tax for late filing and the one half of one percent (.005) additions to tax for late payment are imposed, the maximum monthly percent is five percent (.05) not to exceed forty-seven and one-half percent (.475) of the tax due.

**Line 18 - Nonresident Withholding Tax Payments:** Enter nonresident withholding tax payments on this line. Include any previous payments with

extension of time, or if this is an amended return enter the amount of withholding tax withheld and paid with the original return.

**Line 20 - Interest:** See instructions for Line 10

**Line 21 - Additions to Tax:** See instructions for Line 11.

**Line 26 through Line 29 - Summary Section:** All taxpayers must complete this section to summarize and offset the Fiduciary Tax and Nonresident Withholding Tax.

Remit the amount on line 28 by check made payable to the West Virginia State Tax Department.

**SCHEDULE A: BENEFICIARY INFORMATION AND NONRESIDENT WITHHOLDING**

Enter the name, address, city, state, and zip code of each beneficiary that the Estate/Trust had during its taxable year. If additional space is needed, attach additional copies of Schedule A.

**Column A:** Enter the social security number of the beneficiary listed on the same numbered line in the top part of Schedule A.

**Column B:** If the beneficiary is a resident of West Virginia check this column. Do not complete columns C through H for a West Virginia resident beneficiary.

**Column C:** If the beneficiary is a nonresident of West Virginia and the Estate or Trust will satisfy the nonresident withholding requirements by filing a composite return for its nonresident beneficiaries, check this column. Do not complete columns D through H if you are filing a composite return for nonresident beneficiaries.

**Column D:** If the beneficiary is a nonresident of West Virginia and the Estate

or Trust is not filing a composite return for its nonresident beneficiaries check this column.

**Column E:** Check this column if you have received or previously had on file, a completed Form WV/NRW-4 from this nonresident beneficiary. Do not complete columns F through H if you checked column E. If you received the Form NRW-4 during the current taxable year, a copy must be attached to your West Virginia Fiduciary Income Tax Return when filed.

**Column F:** Enter the amount of West Virginia source income allocated to this nonresident beneficiary.

**Column H:** Multiply the dollar amount in column F by the tax rate in column G and enter the result in column H.

**Line 6:** Total columns F and H. If you have attached additional copies of Schedule A enter the grand total of the columns from all the copies of Schedule A on the first Schedule A and label the figures as "grand total".

Transfer the appropriate column totals to the front of the return.

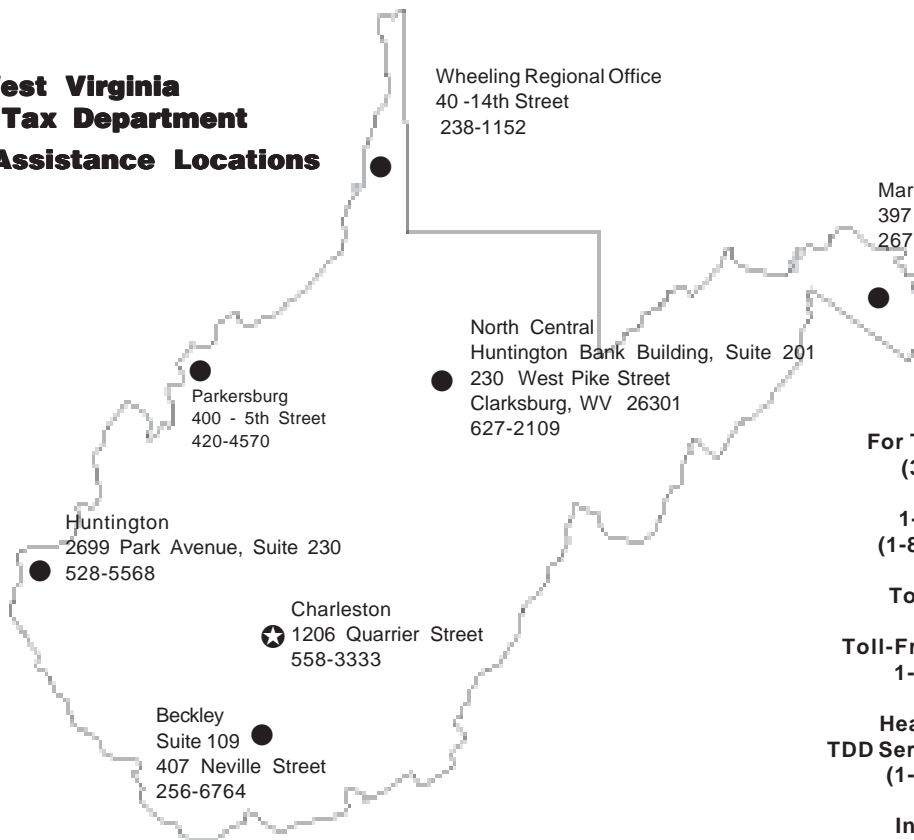
**SCHEDULE B: WEST VIRGINIA FIDUCIARY MODIFICATIONS**

The income of the estate or trust for federal tax purposes may be subject to a fiduciary modification for West Virginia tax purposes. Some of these modifications increase and others decrease income for West Virginia tax purposes. The net modification may be a plus or a minus figure. In column I, enter the total amount of all additions and subtractions. On line 3, column I, enter the difference between the additions and subtractions. If this is a complex trust or estate, or a simple trust having taxable income, complete column II by entering that share of the modification which is allocable to the estate or trust. The amount entered on line 4, column II, is to be entered on line 2, page 1 of this return.

**WEST VIRGINIA TAX RATE SCHEDULE  
FOR RESIDENT AND NONRESIDENT  
ESTATES AND TRUSTS  
APPLY RATE SCHEDULE TO THE WEST VIRGINIA  
TAXABLE INCOME ON LINE 3**

Less than \$10,000 .....	3% of the taxable income
At least - But less than -	
\$10,000 \$25,000 .....	\$ 300.00 plus 4% of excess over \$10,000
\$25,000 \$40,000 .....	\$ 900.00 plus 4.5% of excess over \$25,000
\$40,000 \$60,000 .....	\$1,575.00 plus 6% of excess over \$40,000
\$60,000 .....	\$2,775.00 plus 6.5% of excess over \$60,000

**West Virginia  
State Tax Department  
Taxpayer Assistance Locations**



**For Tax Information:**  
**(304) 558-3333**  
**or Toll-Free**  
**1-800-982-8297**  
**(1-800-WVA-TAXS)**

**To Order Forms:**  
**344-2068 or**  
**Toll-Free West Virginia**  
**1-800-422-2075**

**Hearing Impaired?**  
**TDD Service 1-800-282-9833**  
**(1-800-2TAXTDD)**

**Internet Address**  
**<http://www.state.wv.us/taxdiv>**