

Form 706,

Case of CPA malpractice and Insurance there for.
Short term and long-term capital gains tax
Nov 2, 2023

The importance is that the Korean CPAs must be involved from the initial stage on the death of their clients. Then they can practice in many estates and trusts area too. Not complicated and extensive ones. What they need to initiate first process to prepare a simple and straight Form 706 like in my sample. I prepare this sample from my practice on Purpose.

Since Trump tax law has a sunset clause by the end of 2025. Exclusion will be \$6,000,000 with inflation from \$5,000,000 probably after 2025 Considering the current federal budget deficit. DSUE (deceased spouse unused exclusion) had a requirement for Form to filed within two years from the death of a decedent. Rev Proc 2017-34. is extended to five (5) years. (2022-32). Form 706 is to be filed within 9 months of the death with an extension. This is effective beginning of this year. Now current exclusion for estate tax purpose is \$12,920,000, not after 2025. Deceased Spouse Unused Exclusion amount on form 706, will be carried over the surviving spouse to add his or her exclusion.

All CPAs have to file complete and proper Form 706 to claim DSUE. Ensuing this trust and estate tax return, Form 1041 has to be filed in many cases until Form 706 is filed and all estate assets are distributed.

This will open many opportunities for our Koreas clients who have this money and assets and Korean CPAs and open the possibilities for Korean CPAs to make revenue on these occasions.

My presentation material is based on the following facts:

Decedent: Michael Kim
Surviving spouse: Grace Kim and non-U.S. citizen
Grose estate amount: \$5,783,986
Basic exclusion amount: \$11,580,000
Tentative tax on the above: \$1,818,354
DSUE is claimed.

Decedent has: Real estate, stocks and bonds, Savings and cash, Mortgages on the real estates, Life insurance, Funeral expenses and Administration expenses and others
Miscellaneous assets, Funeral expenses, foreign real estate

Regarding gross estate amount, there are two ways. First, calculate the only decedent's assets. Second, calculate the both spouse's assets and subtract the surviving spouse's assets.

Filed Pursuant to REV. Procedure 2022-32
To Elect Under Section 2010(c)(5)(A)

Form **706**
(Rev. August 2019)

**United States Estate (and Generation-Skipping Transfer)
Tax Return**

► Estate of a citizen or resident of the United States (see instructions). To be filed for decedents dying after December 31, 2018.

OMB No. 1545-0015

► Go to www.irs.gov/Form706 for instructions and the latest information.

(2019-342 Previously)
(5YR)

Department of the Treasury
Internal Revenue Service

Part 1 — Decedent and Executor	1a Decedent's first name and middle initial (and maiden name, if any) Michael	1b Decedent's last name Kim	2 Decedent's social security no. 123 45 6789		
	3a City, town, or post office; county; state or province; country; and ZIP or foreign postal code San Francisco, CA 94123	3b Year domicile established 1984	4 Date of birth 06301960	5 Date of death 04152020	
	6a Name of executor (see instructions) Grace Kim	6b Executor's address (number and street including apartment or suite no.; city, town, or post office; state or province; country; and ZIP or foreign postal code) and phone no. San Francisco, CA 94127		6c Executor's social security number (see instructions) 456 78 9123	
	6d If there are multiple executors, check here <input type="checkbox"/> and attach a list showing the names, addresses, telephone numbers, and SSNs of the additional executors.		7b Case number NA		
	7a Name and location of court where will was probated or estate administered Probate is not required since the decedent left a revocable trust and her last will				7c Phone no. 415 474 8160
	8 If decedent died testate, check here <input checked="" type="checkbox"/> and attach a certified copy of the will. 9 If you extended the time to file this Form 706, check here <input type="checkbox"/>				
	10 If Schedule R-1 is attached, check here <input type="checkbox"/> 11 If you are estimating the value of assets included in the gross estate on line 1 pursuant to the special rule of Reg. section 20.2010-2(a)(7)(ii), check here <input type="checkbox"/>				

Part 2 — Tax Computation	1 Total gross estate less exclusion (from Part 5—Recapitulation, item 13)	1	5,783,986
	2 Tentative total allowable deductions (from Part 5—Recapitulation, item 24)	2	1,101,350
	3a Tentative taxable estate (subtract line 2 from line 1)	3a	4,682,636
	b State death tax deduction	3b	0
	c Taxable estate (subtract line 3b from line 3a)	3c	4,682,636
	4 Adjusted taxable gifts (see instructions)	4	0
	5 Add lines 3c and 4	5	4,682,636
	6 Tentative tax on the amount on line 5 from Table A in the instructions	6	1,818,354
	7 Total gift tax paid or payable (see instructions)	7	
	8 Gross estate tax (subtract line 7 from line 6)	8	1,818,354
	9a Basic exclusion amount	9a	11,580,000
	b Deceased spousal unused exclusion (DSUE) amount from predeceased spouse(s), if any (from Section D, Part 6—Portability of Deceased Spousal Unused Exclusion)	9b	0
	c Restored exclusion amount (see instructions)	9c	0
	d Applicable exclusion amount (add lines 9a, 9b, and 9c)	9d	11,580,000
	e Applicable credit amount (tentative tax on the amount in line 9d from Table A in the instructions)	9e	1,818,354
	10 Adjustment to applicable credit amount (May not exceed \$6,000. See instructions.)	10	
	11 Allowable applicable credit amount (subtract line 10 from line 9e)	11	1,818,354
	12 Subtract line 11 from line 8 (but do not enter less than zero)	12	
	13 Credit for foreign death taxes (from Schedule P). (Attach Form(s) 706-CE.)	13	
	14 Credit for tax on prior transfers (from Schedule Q)	14	
15 Total credits (add lines 13 and 14)	15		
16 Net estate tax (subtract line 15 from line 12)	16		
17 Generation-skipping transfer (GST) taxes payable (from Schedule R, Part 2, line 10)	17		
18 Total transfer taxes (add lines 16 and 17)	18		
19 Prior payments (explain in an attached statement)	19		
20 Balance due (or overpayment) (subtract line 19 from line 18)	20		

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than the executor) is based on all information of which preparer has any knowledge.

Sign Here	Signature of executor	Date
	Signature of executor	Date

Paid Preparer Use Only	Print/Type preparer's name H. Kenneth Ahn, CPA	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN P00429080
	Firm's name ► H. Kenneth Ahn, Esq, A Professional Corporation	Firm's EIN ► 45-4580125		Phone no. 415 474 8160	
	Firm's address ► 1426 Fillmore Street Ste 305, San Francisco, CA 94115				

Estate of:	Decedent's social security number
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Part 3—Elections by the Executor

Note: For information on electing portability of the decedent's DSUE amount, including how to opt out of the election, see Part 6—Portability of Deceased Spousal Unused Exclusion.

Note: Some of the following elections may require the posting of bonds or liens.

		Yes	No
<i>Please check "Yes" or "No" for each question. See instructions.</i>			
1 Do you elect alternate valuation?	1		✓
2 Do you elect special-use valuation? If "Yes," you must complete and attach Schedule A-1	2		✓
3 Do you elect to pay the taxes in installments as described in section 6166? If "Yes," you must attach the additional information described in the instructions. Note: By electing section 6166 installment payments, you may be required to provide security for estate tax deferred under section 6166 and interest in the form of a surety bond or a section 6324A lien.	3		
4 Do you elect to postpone the part of the taxes due to a reversionary or remainder interest as described in section 6163?	4		

Part 4—General Information

Note: Please attach the necessary supplemental documents. **You must attach the death certificate.** See instructions.

Authorization to receive confidential tax information under Reg. section 601.504(b)(2)(f); to act as the estate's representative before the IRS; and to make written or oral presentations on behalf of the estate:

Name of representative (print or type)	State	Address (number, street, and room or suite no., city, state, and ZIP code)
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I declare that I am the attorney/ certified public accountant/ enrolled agent (check the applicable box) for the executor. I am not under suspension or disbarment from practice before the Internal Revenue Service and am qualified to practice in the state shown above.

Signature	CAF number 9000 566 59	Date	Telephone number 415 474 8160
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1 Death certificate number and issuing authority (attach a copy of the death certificate to this return).
xxxxxxx, City and County of San Francisco

2 Decedent's business or occupation. If retired, check here and state decedent's former business or occupation.
Executive of Parking Committee Commissioner

3a Marital status of the decedent at time of death:
 Married Widow/widower Single Legally separated Divorced

3b For all prior marriages, list the name and SSN of the former spouse, the date the marriage ended, and whether the marriage ended by annulment, divorce, or death. Attach additional statements of the same size if necessary.

4a Surviving spouse's name Michael Kim	4b Social security number 111 11 1111	4c Amount received (see instructions) Not applicable - DSUE
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5 Individuals (other than the surviving spouse), trusts, or other estates who receive benefits from the estate (do not include charitable beneficiaries shown in Schedule O) (see instructions).

Name of individual, trust, or estate receiving \$5,000 or more	Identifying number	Relationship to decedent	Amount (see instructions)
John Kim	236567891	Son	50,000
Jane Kim	456 78 9123	Daughter	50,000

All unascertainable beneficiaries and those who receive less than \$5,000	
Total	

If you answer "Yes" to any of the following questions, you must attach additional information as described.	Yes	No
6 Is the estate filing a protective claim for refund? If "Yes," complete and attach two copies of Schedule PC for each claim.		✓
7 Does the gross estate contain any section 2044 property (qualified terminable interest property (QTIP) from a prior gift or estate)? See instructions		✓
8a Have federal gift tax returns ever been filed? If "Yes," attach copies of the returns, if available, and furnish the following information.		✓
b Period(s) covered		
c Internal Revenue office(s) where filed		
9a Was there any insurance on the decedent's life that is not included on the return as part of the gross estate?		✓
b Did the decedent own any insurance on the life of another that is not included in the gross estate?		✓

Estate of:	Decedent's social security number
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Part 4—General Information *(continued)*

If you answer "Yes" to any of the following questions, you must attach additional information as described.	Yes	No
10 Did the decedent at the time of death own any property as a joint tenant with right of survivorship in which (a) one or more of the other joint tenants was someone other than the decedent's spouse, and (b) less than the full value of the property is included on the return as part of the gross estate? If "Yes," you must complete and attach Schedule E		✓
11a Did the decedent, at the time of death, own any interest in a partnership (for example, a family limited partnership), an unincorporated business, or a limited liability company; or own any stock in an inactive or closely held corporation?		✓
b If "Yes," was the value of any interest owned (from above) discounted on this estate tax return? If "Yes," see the instructions on reporting the total accumulated or effective discounts taken on Schedule F or G		
12 Did the decedent make any transfer described in sections 2035, 2036, 2037, or 2038? See instructions. If "Yes," you must complete and attach Schedule G		✓
13a Were there in existence at the time of the decedent's death any trusts created by the decedent during his or her lifetime?	✓	
b Were there in existence at the time of the decedent's death any trusts not created by the decedent under which the decedent possessed any power, beneficial interest, or trusteeship?		✓
c Was the decedent receiving income from a trust created after October 22, 1986, by a parent or grandparent? If "Yes," was there a GST taxable termination (under section 2612) on the death of the decedent?		✓
d If there was a GST taxable termination (under section 2612), attach a statement to explain. Provide a copy of the trust or will creating the trust, and give the name, address, and phone number of the current trustee(s).		
e Did the decedent at any time during his or her lifetime transfer or sell an interest in a partnership, limited liability company, or closely held corporation to a trust described in line 13a or 13b? If "Yes," provide the EIN for this transferred/sold item. ▶		✓
14 Did the decedent ever possess, exercise, or release any general power of appointment? If "Yes," you must complete and attach Schedule H		✓
15 Did the decedent have an interest in or a signature or other authority over a financial account in a foreign country, such as a bank account, securities account, or other financial account?		✓
16 Was the decedent, immediately before death, receiving an annuity described in the "General" paragraph of the instructions for Schedule I or a private annuity? If "Yes," you must complete and attach Schedule I		✓
17 Was the decedent ever the beneficiary of a trust for which a deduction was claimed by the estate of a predeceased spouse under section 2056(b)(7) and which is not reported on this return? If "Yes," attach an explanation		✓

Part 5—Recapitulation. Note: If estimating the value of one or more assets pursuant to the special rule of Reg. section 20.2010-2(a)(7)(ii), enter on both lines 10 and 23 the amount noted in the instructions for the corresponding range of values. See instructions for details.

Item no.	Gross estate	Alternate value	Value at date of death
1	Schedule A—Real Estate	1	4,909,700
2	Schedule B—Stocks and Bonds	2	78,121
3	Schedule C—Mortgages, Notes, and Cash	3	251,165
4	Schedule D—Insurance on the Decedent's Life (attach Form(s) 712)	4	525,000
5	Schedule E—Jointly Owned Property (attach Form(s) 712 for life insurance)	5	
6	Schedule F—Other Miscellaneous Property (attach Form(s) 712 for life insurance)	6	19,000
7	Schedule G—Transfers During Decedent's Life (att. Form(s) 712 for life insurance)	7	
8	Schedule H—Powers of Appointment	8	
9	Schedule I—Annuities	9	
10	Estimated value of assets subject to the special rule of Reg. section 20.2010-2(a)(7)(ii)	10	
11	Total gross estate (add items 1 through 10)	11	5,783,986
12	Schedule U—Qualified Conservation Easement Exclusion	12	
13	Total gross estate less exclusion (subtract item 12 from item 11). Enter here and on line 1 of Part 2—Tax Computation	13	5,783,986
Item no.	Deductions		Amount
14	Schedule J—Funeral Expenses and Expenses Incurred in Administering Property Subject to Claims	14	81,050
15	Schedule K—Debts of the Decedent	15	
16	Schedule K—Mortgages and Liens	16	1,020,300
17	Total of items 14 through 16	17	1,101,350
18	Allowable amount of deductions from item 17 (see the instructions for item 18 of the Recapitulation)	18	1,101,350
19	Schedule L—Net Losses During Administration	19	
20	Schedule L—Expenses Incurred in Administering Property Not Subject to Claims	20	
21	Schedule M—Bequests, etc., to Surviving Spouse	21	0
22	Schedule O—Charitable, Public, and Similar Gifts and Bequests	22	
23	Estimated value of deductible assets subject to the special rule of Reg. section 20.2010-2(a)(7)(ii)	23	
24	Tentative total allowable deductions (add items 18 through 23). Enter here and on line 2 of the Tax Computation	24	1,101,350

Estate of: Michael Kim Decedent's social security number

Part 6—Portability of Deceased Spousal Unused Exclusion (DSUE)

Portability Election

A decedent with a surviving spouse elects portability of the DSUE amount, if any, by completing and timely filing this return. No further action is required to elect portability of the DSUE amount to allow the surviving spouse to use the decedent's DSUE amount.

Section A. Opting Out of Portability

The estate of a decedent with a surviving spouse may opt out of electing portability of the DSUE amount. Check here and do not complete Sections B and C of Part 6 only if the estate opts **NOT** to elect portability of the DSUE amount.

Section B. Qualified Domestic Trust (QDOT)

Yes	No
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Are any assets of the estate being transferred to a QDOT?

If "Yes," the DSUE amount portable to a surviving spouse (calculated in Section C, below) is preliminary and shall be redetermined at the time of the final distribution or other taxable event imposing estate tax under section 2056A. See instructions for more details.

Section C. DSUE Amount Portable to the Surviving Spouse (To be completed by the estate of a decedent making a portability election.)

Complete the following calculation to determine the DSUE amount that can be transferred to the surviving spouse.

1	Enter the amount from line 9d, Part 2—Tax Computation	1	11,580,000
2	Reserved	2	
3	Enter the value of the cumulative lifetime gifts on which tax was paid or payable. See instructions	3	0
4	Add lines 1 and 3	4	11,580,000
5	Enter amount from line 10, Part 2—Tax Computation	5	0
6	Divide amount on line 5 by 40% (0.40) (do not enter less than zero)	6	0
7	Subtract line 6 from line 4	7	11,580,000
8	Enter the amount from line 5, Part 2—Tax Computation	8	4,682,636
9	Subtract line 8 from line 7 (do not enter less than zero)	9	6,897,364
10	DSUE amount portable to surviving spouse (Enter lesser of line 9 or line 9a, Part 2—Tax Computation)	10	

Section D. DSUE Amount Received From Predeceased Spouse(s) (To be completed by the estate of a deceased surviving spouse with DSUE amount from predeceased spouse(s))

Provide the following information to determine the DSUE amount received from deceased spouses.

A Name of Deceased Spouse (dates of death after December 31, 2010, only)	B Date of Death (enter as mm/dd/yy)	C Portability Election Made?		D If "Yes," DSUE Amount Received From Spouse	E DSUE Amount Applied by Decedent to Lifetime Gifts	F Year of Form 709 Reporting Use of DSUE Amount Listed in col. E	G Remaining DSUE Amount, if any (subtract col. E from col. D)
		Yes	No				
Part 1 — DSUE RECEIVED FROM LAST DECEASED SPOUSE							
Part 2 — DSUE RECEIVED FROM OTHER PREDECEASED SPOUSE(S) AND USED BY DECEDENT							
Total (for all DSUE amounts from predeceased spouse(s) applied)							

Add the amount from Part 1, column D, and the total from Part 2, column E. Enter the result on line 9b, Part 2—Tax Computation ▶

Estate of: Michael Kim	Decedent's social security number 123 : 45 : 6789
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SCHEDULE A—Real Estate

- For jointly owned property that must be disclosed on Schedule E, see instructions.
- Real estate that is part of a sole proprietorship should be shown on Schedule F.
- Real estate that is included in the gross estate under sections 2035, 2036, 2037, or 2038 should be shown on Schedule G.
- Real estate that is included in the gross estate under section 2041 should be shown on Schedule H.
- If you elect section 2032A valuation, you must complete Schedule A and Schedule A-1.

Note: If the value of the gross estate, together with the amount of adjusted taxable gifts, is less than the basic exclusion amount and Form 706 is being filed solely to elect portability of the DSUE amount, consideration should be given as to whether you are required to report the value of assets eligible for the marital or charitable deduction on this schedule. See the instructions for more information. If you are not required to report the value of an asset, identify the property but make no entries in the last three columns.

Item number	Description	Alternate valuation date	Alternate value	Value at date of death
1	Residential real property at -----, San Francisco, California, Community property with right of survivorship less 1/2 of community interest of spouse.			1,312,500
2	Residential real property at -----, Sacramento, California, Community property with right of survivorship less 1/2 of community interest of spouse.			447,700
3	Residential real property at -----, San Bruno, California Community property with right of survivorship less 1/2 of community interest of spouse.			706,600
4	Commercial rental real property at -----, Kangnam-gu Seoul, Korea community property less 1/2 of community property interest of spouse, Market value of Korean Won, KRW 6,000,0000,000, divided by 1,228.0761, Won for \$1.00, in \$4,885,800 less half of community			2,442,900
Total from continuation schedules or additional statements attached to this schedule				
TOTAL (Also enter on Part 5—Recapitulation, page 3, at item 1.)				4,909,700

(If more space is needed, attach the continuation schedule from the end of this package or additional statements of the same size.)

Estate of: Michael Kim

Decedent's social security number
123 45 6789

SCHEDULE A-1 – Section 2032A Valuation

Part 1. Type of Election (Before making an election, see the checklist in the instructions):

- Protective election (Reg. section 20.2032A-8(b)).** Complete Part 2, line 1, and column A of lines 3 and 4. See instructions.
- Regular election.** Complete all of Part 2 (including line 11, if applicable) and Part 3. See instructions.

Before completing Schedule A-1, see the instructions for the information and documents that must be included to make a valid election.

The election is not valid unless the agreement (that is, *Part 3. Agreement to Special Valuation Under Section 2032A*):

- Is signed by each qualified heir with an interest in the specially valued property, and
- Is attached to this return when it is filed.

Part 2. Notice of Election (Reg. section 20.2032A-8(a)(3))

Note: All real property entered on lines 2 and 3 must also be entered on Schedules A, E, F, G, or H, as applicable.

- 1 Qualified use—check one Farm used for farming, or Trade or business other than farming

2 Real property used in a qualified use, passing to qualified heirs, and to be specially valued on this Form 706.

A Schedule and item number from Form 706	B Full value (without section 2032A(b)(3)(B) adjustment)	C Adjusted value (with section 2032A(b)(3)(B) adjustment)	D Value based on qualified use (without section 2032A(b)(3)(B) adjustment)
Totals			

Attach a legal description of all property listed on line 2.
Attach copies of appraisals showing the column B values for all property listed on line 2.

3 Real property used in a qualified use, passing to qualified heirs, but not specially valued on this Form 706.

A Schedule and item number from Form 706	B Full value (without section 2032A(b)(3)(B) adjustment)	C Adjusted value (with section 2032A(b)(3)(B) adjustment)	D Value based on qualified use (without section 2032A(b)(3)(B) adjustment)
Totals			

If you checked "Regular election," you must attach copies of appraisals showing the column B values for all property listed on line 3.
(continued on next page)

Estate of: Michael Kim **Decedent's social security number**
123 45 6789

4 Personal property used in a qualified use and passing to qualified heirs.

A Schedule and item number from Form 706	B Adjusted value (with section 2032A(b)(3)(B) adjustment)	A (continued) Schedule and item number from Form 706	B (continued) Adjusted value (with section 2032A(b)(3)(B) adjustment)
		"Subtotal" from col. B, below left	
Subtotal		Total adjusted value	

5 Enter the value of the total gross estate as adjusted under section 2032A(b)(3)(A). ▶ _____

6 Attach a description of the method used to determine the special value based on qualified use.

7 Did the decedent and/or a member of his or her family own all property listed on line 2 for at least 5 of the 8 years immediately preceding the date of the decedent's death?	Yes	No
8 Were there any periods during the 8-year period preceding the date of the decedent's death during which the decedent or a member of his or her family:		
a Did not own the property listed on line 2?		
b Did not use the property listed on line 2 in a qualified use?		
c Did not materially participate in the operation of the farm or other business within the meaning of section 2032A(e)(6)?		

If you answered "Yes" to any of the above, attach a statement listing the periods. If applicable, describe whether the exceptions of sections 2032A(b)(4) or (5) are met.

9 Attach affidavits describing the activities constituting material participation and the identity and relationship to the decedent of the material participants.

10 Persons holding interests. Enter the requested information for each party who received any interest in the specially valued property. (Each of the qualified heirs receiving an interest in the property must sign the agreement, to be found on Part 3 of this Schedule A-1, and the agreement must be filed with this return.)

	Name	Address
A		
B		
C		
D		
E		
F		
G		
H		

	Identifying number	Relationship to decedent	Fair market value	Special-use value
A				
B				
C				
D				
E				
F				
G				
H				

You must attach a computation of the GST tax savings attributable to direct skips for each person listed above who is a skip person. See instructions.

11 Woodlands election. Check here if you wish to make a Woodlands election as described in section 2032A(e)(13). Enter the schedule and item numbers from Form 706 of the property for which you are making this election ▶ _____

Attach a statement explaining why you are entitled to make this election. The IRS may issue regulations that require more information to substantiate this election. You will be notified by the IRS if you must supply further information.

Estate of:	Decedent's social security number
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Part 3. Agreement to Special Valuation Under Section 2032A

There cannot be a valid election unless:

- The agreement is executed by each one of the qualified heirs, and
- The agreement is included with the estate tax return when the estate tax return is filed.

We (list all qualified heirs)

being all the qualified heirs and (list all other persons having an interest in the property required to sign this agreement)

being all other parties having interests in the property, which is qualified real property and which is valued under section 2032A, do hereby approve of the election made by _____

Executor/Administrator of the estate of _____

pursuant to section 2032A to value said property on the basis of the qualified use to which the property is devoted and do hereby enter into this agreement pursuant to section 2032A(d).

The undersigned agree and consent to the application of subsection (c) of section 2032A with respect to all the property described on Form 706, Schedule A-1, Part 2, line 2, attached to this agreement. More specifically, the undersigned heirs expressly agree and consent to personal liability under subsection (c) of 2032A for the additional estate and GST taxes imposed by that subsection with respect to their respective interests in the above-described property in the event of certain early dispositions of the property or early cessation of the qualified use of the property. It is understood that if a qualified heir disposes of any interest in qualified real property to any member of his or her family, such member may thereafter be treated as the qualified heir with respect to such interest upon filing a Form 706-A, United States Additional Estate Tax Return, and a new agreement.

The undersigned interested parties who are not qualified heirs consent to the collection of any additional estate and GST taxes imposed under section 2032A(c) from the specially valued property.

If there is a disposition of any interest which passes, or has passed to him or her, or if there is a cessation of the qualified use of any specially valued property which passes or passed to him or her, each of the undersigned heirs agrees to file a Form 706-A, and pay any additional estate and GST taxes due within 6 months of the disposition or cessation.

It is understood by all interested parties that this agreement is a condition precedent to the election of special-use valuation under section 2032A and must be executed by every interested party even though that person may not have received the estate (or GST) tax benefits or be in possession of such property.

Each of the undersigned understands that by making this election, a lien will be created and recorded pursuant to section 6324B on the property referred to in this agreement for the adjusted tax differences with respect to the estate as defined in section 2032A(c)(2) (C).

As the interested parties, the undersigned designate the following individual as their agent for all dealings with the Internal Revenue Service concerning the continued qualification of the specially valued property under section 2032A and on all issues regarding the special lien under section 6324B. The agent is authorized to act for the parties with respect to all dealings with the Internal Revenue Service on matters affecting the qualified real property described earlier. This includes the authorization:

- To receive confidential information on all matters relating to continued qualification under section 2032A of the specially valued real property and on all matters relating to the special lien arising under section 6324B;
- To furnish the Internal Revenue Service with any requested information concerning the property;
- To notify the Internal Revenue Service of any disposition or cessation of qualified use of any part of the property;
- To receive, but not to endorse and collect, checks in payment of any refund of Internal Revenue taxes, penalties, or interest;
- To execute waivers (including offers of waivers) of restrictions on assessment or collection of deficiencies in tax and waivers of notice of disallowance of a claim for credit or refund; and
- To execute closing agreements under section 7121.

(continued on next page)

Estate of:	Decedent's social security number
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Part 3. Agreement to Special Valuation Under Section 2032A (continued)

• Other acts (specify) ▶ _____

By signing this agreement, the agent agrees to provide the Internal Revenue Service with any requested information concerning this property and to notify the Internal Revenue Service of any disposition or cessation of the qualified use of any part of this property.

Name of Agent	Signature	Address
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The property to which this agreement relates is listed in Form 706, United States Estate (and Generation-Skipping Transfer) Tax Return, and in the Notice of Election, along with its fair market value according to section 2031 and its special-use value according to section 2032A. The name, address, social security number, and interest (including the value) of each of the undersigned in this property are as set forth in the attached Notice of Election.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands at _____,

this _____ day of _____.

SIGNATURES OF EACH OF THE QUALIFIED HEIRS:

Signature of qualified heir	Signature of qualified heir
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Signature of qualified heir	Signature of qualified heir
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Signature of qualified heir	Signature of qualified heir
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Signature of qualified heir	Signature of qualified heir
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Signature of qualified heir	Signature of qualified heir
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Signature of qualified heir	Signature of qualified heir
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Signatures of other interested parties

Signatures of other interested parties

Estate of: Michael Kim	Decedent's social security number 123 45 6789
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SCHEDULE C—Mortgages, Notes, and Cash

(For jointly owned property that must be disclosed on Schedule E, see instructions.)

Note: If the value of the gross estate, together with the amount of adjusted taxable gifts, is less than the basic exclusion amount and Form 706 is being filed solely to elect portability of the DSUE amount, consideration should be given as to whether you are required to report the value of assets eligible for the marital or charitable deduction on this schedule. See the instructions for more information. If you are not required to report the value of an asset, identify the property but make no entries in the last three columns.

Item number	Description	Alternate valuation date	Alternate value	Value at date of death
1	Cash Savings Account at Hanmi Bank, account number ending ---- \$278,055, less 1/2 of community property to spouse \$139,028			139,028
2	Cash Savings Account at Hanmi Bank, account number ending ---- \$90,782, less 1/2 of community property to spouse \$45,391			45,391
3	Cash, Savings and Checking accounts at Wells Fargo Bank and Bank of America, \$75,000, less 1/2 of community property to spouse, \$37,500			37,500
4	Cash deposit at Hana Bank, Seoul, Korea, KRW 71,832,071 divided by same exchange rate, \$58,492 less 1/2 of community property to spouse, \$29,246			29,246
Total from continuation schedules (or additional statements) attached to this schedule .				
TOTAL (Also enter on Part 5—Recapitulation, page 3, at item 3.)				251,165

(If more space is needed, attach the continuation schedule from the end of this package or additional statements of the same size.)

Estate of: Michael Kim	Decedent's social security number 123 45 6789
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SCHEDULE D—Insurance on the Decedent's Life

You must list all policies on the life of the decedent and attach a Form 712 for each policy.

Note: If the value of the gross estate, together with the amount of adjusted taxable gifts, is less than the basic exclusion amount and Form 706 is being filed solely to elect portability of the DSUE amount, consideration should be given as to whether you are required to report the value of assets eligible for the marital or charitable deduction on this schedule. See the instructions for more information. If you are not required to report the value of an asset, identify the property but make no entries in the last three columns.

Item number	Description	Alternate valuation date	Alternate value	Value at date of death
1	American General Life Insurance, P.O. Box 2848, Amarillo, Texas, 79105 Term life, Insurance policy # ----- Started 01/28/2004			500,000
2	Met Life, PO Box 6300, Scranton , PA 18505, Group life insurance Policy number 00---- started 12/15/2006			25000
Total from continuation schedules (or additional statements) attached to this schedule .				
TOTAL (Also enter on Part 5—Recapitulation, page 3, at item 4.)				525,000

(If more space is needed, attach the continuation schedule from the end of this package or additional statements of the same size.)

Estate of: Michael Kim	Decedent's social security number 123 45 6789
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SCHEDULE E—Jointly Owned Property

(If you elect section 2032A valuation, you must complete Schedule E and Schedule A-1.)

PART 1. Qualified Joint Interests—Interests Held by the Decedent and His or Her Spouse as the Only Joint Tenants (Section 2040(b)(2))

Note: If the value of the gross estate, together with the amount of adjusted taxable gifts, is less than the basic exclusion amount and Form 706 is being filed solely to elect portability of the DSUE amount, consideration should be given as to whether you are required to report the value of assets eligible for the marital or charitable deduction on this schedule. See the instructions for more information. If you are not required to report the value of an asset, identify the property but make no entries in the last three columns.

Item number	Description. For securities, give CUSIP number. If trust, partnership, or closely held entity, give EIN.	Alternate valuation date	Alternate value	Value at date of death
1	CUSIP number or EIN, where applicable			
Total from continuation schedules (or additional statements) attached to this schedule				
1a Totals			1a	
b Amounts included in gross estate (one-half of line 1a)			1b	

PART 2. All Other Joint Interests

2a State the name and address of each surviving co-tenant. If there are more than three surviving co-tenants, list the additional co-tenants on an attached statement.

Name	Address (number and street, city, state, and ZIP code)
A.	
B.	
C.	

Item number	Enter letter for co-tenant	Description (including alternate valuation date, if any). For securities, give CUSIP number. If trust, partnership, or closely held entity, give EIN	Percentage includible	Includible alternate value	Includible value at date of death
1		CUSIP number or EIN, where applicable			
Total from continuation schedules (or additional statements) attached to this schedule					
b Total other joint interests				2b	
3 Total includible joint interests (add lines 1b and 2b). Also enter on Part 5—Recapitulation, page 3, at item 5				3	

(If more space is needed, attach the continuation schedule from the end of this package or additional statements of the same size.)

Estate of: Michael Kim	Decedent's social security number 123 45 6789
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SCHEDULE F—Other Miscellaneous Property Not Reportable Under Any Other Schedule

(For jointly owned property that must be disclosed on Schedule E, see instructions.)
(If you elect section 2032A valuation, you must complete Schedule F and Schedule A-1.)

Note: If the value of the gross estate, together with the amount of adjusted taxable gifts, is less than the basic exclusion amount and Form 706 is being filed solely to elect portability of the DSUE amount, consideration should be given as to whether you are required to report the value of assets eligible for the marital or charitable deduction on this schedule. See the instructions for more information. If you are not required to report the value of an asset, identify the property but make no entries in the last three columns.

1 Did the decedent own any works of art, items, or any collections whose artistic or collectible value at date of death exceeded \$3,000? If "Yes," submit full details on this schedule and attach appraisals.	Yes	No
2 Has the decedent's estate, spouse, or any other person received (or will receive) any bonus or award as a result of the decedent's employment or death? If "Yes," submit full details on this schedule.		
3 Did the decedent at the time of death have, or have access to, a safe deposit box? If "Yes," state location, and if held jointly by decedent and another, state name and relationship of joint depositor.		

If any of the contents of the safe deposit box are omitted from the schedules in this return, explain fully why omitted.

Item number	Description. For securities, give CUSIP number. If trust, partnership, or closely held entity, give EIN	CUSIP number or EIN, where applicable	Alternate valuation date	Alternate value	Value at date of death
1	Automobile, XX, 2017 XXX 300 \$30,000, less 1/2 to spouse				15,000
2	Automobile, 2012 Audi A4, 4 dr, \$8,000, less 1/2 to spouse				4,000
Total from continuation schedules (or additional statements) attached to this schedule .					
TOTAL (Also enter on Part 5—Recapitulation, page 3, at item 6.)					19,000

(If more space is needed, attach the continuation schedule from the end of this package or additional statements of the same size.)

Estate of: Michael Kim	Decedent's social security number 123 : 45 : 6789
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SCHEDULE G—Transfers During Decedent's Life

(If you elect section 2032A valuation, you must complete Schedule G and Schedule A-1.)

Note: If the value of the gross estate, together with the amount of adjusted taxable gifts, is less than the basic exclusion amount and Form 706 is being filed solely to elect portability of the DSUE amount, consideration should be given as to whether you are required to report the value of assets eligible for the marital or charitable deduction on this schedule. See the instructions for more information. If you are not required to report the value of an asset, identify the property but make no entries in the last three columns.

Item number	Description. For securities, give CUSIP number. If trust, partnership, or closely held entity, give EIN	Alternate valuation date	Alternate value	Value at date of death
A.	Gift tax paid or payable by the decedent or the estate for all gifts made by the decedent or his or her spouse within 3 years before the decedent's death (section 2035(b))	X X X X X		
B.	Transfers includible under sections 2035(a), 2036, 2037, or 2038:			
1	None			0
Total from continuation schedules (or additional statements) attached to this schedule .				
TOTAL (Also enter on Part 5—Recapitulation, page 3, at item 7.)				

SCHEDULE H—Powers of Appointment

(Include "5 and 5 lapsing" powers (section 2041(b)(2)) held by the decedent.)
(If you elect section 2032A valuation, you must complete Schedule H and Schedule A-1.)

Note: If the value of the gross estate, together with the amount of adjusted taxable gifts, is less than the basic exclusion amount and Form 706 is being filed solely to elect portability of the DSUE amount, consideration should be given as to whether you are required to report the value of assets eligible for the marital or charitable deduction on this schedule. See the instructions for more information. If you are not required to report the value of an asset, identify the property but make no entries in the last three columns.

Item number	Description	Alternate valuation date	Alternate value	Value at date of death
1	None			0
Total from continuation schedules (or additional statements) attached to this schedule .				
TOTAL (Also enter on Part 5—Recapitulation, page 3, at item 8.)				

(If more space is needed, attach the continuation schedule from the end of this package or additional statements of the same size.)

Estate of: Michael Kim

Decedent's social security number
123 45 6789

SCHEDULE I—Annuities

Note: Generally, no exclusion is allowed for the estates of decedents dying after December 31, 1984. See instructions.

Note: If the value of the gross estate, together with the amount of adjusted taxable gifts, is less than the basic exclusion amount and Form 706 is being filed solely to elect portability of the DSUE amount, consideration should be given as to whether you are required to report the value of assets eligible for the marital or charitable deduction on this schedule. See the instructions for more information. If you are not required to report the value of an asset, identify the property but make no entries in the last three columns.

A Are you excluding from the decedent's gross estate the value of a lump-sum distribution described in section 2039(f)(2) (as in effect before its repeal by the Deficit Reduction Act of 1984)?

Yes	No
<input type="checkbox"/>	<input checked="" type="checkbox"/>

If "Yes," you must attach the information required by the instructions.

Item number	Description. Show the entire value of the annuity before any exclusions	Alternate valuation date	Includible alternate value	Includible value at date of death
1				
Total from continuation schedules (or additional statements) attached to this schedule .				
TOTAL (Also enter on Part 5—Recapitulation, page 3, at item 9.)				

(If more space is needed, attach the continuation schedule from the end of this package or additional statements of the same size.)

Estate of: Michael Kim	Decedent's social security number 123 45 6789
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SCHEDULE J—Funeral Expenses and Expenses Incurred in Administering Property Subject to Claims

▶ Use Schedule PC to make a protective claim for refund due to an expense not currently deductible.
For such a claim, report the expense on Schedule J but without a value in the last column.

Note: Do not list expenses of administering property not subject to claims on this schedule. To report those expenses, see instructions.

If executors' commissions, attorney fees, etc., are claimed and allowed as a deduction for estate tax purposes, they are not allowable as a deduction in computing the taxable income of the estate for federal income tax purposes. They are allowable as an income tax deduction on Form 1041, U.S. Income Tax Return for Estates and Trusts, if a waiver is filed to forgo the deduction on Form 706. See the Instructions for Form 1041.

Are you aware of any actual or potential reimbursement to the estate for any expense claimed as a deduction on this schedule?	Yes	No
If "Yes," attach a statement describing the expense(s) subject to potential reimbursement. See instructions.		

Item number	Description	Expense amount	Total amount
A. Funeral expenses:			
1	Memorial Service Fee paid to Cypress Lawn Memorial Park	9,450	9,450
	Tombstone paid to CLMP above	5,400	5,400
	Obituary/Life Tribute on San Francisco Chronicle	4,200	4,200
Total funeral expenses			19,050

B. Administration expenses:

1 Executors' commissions—amount estimated/agreed upon/paid. (Strike out the words that do not apply.)	37,500
2 Attorney fees—amount estimated/agreed upon/paid. (Strike out the words that do not apply.)	15,000
3 Accountant fees—amount estimated/agreed upon/paid. (Strike out the words that do not apply.)	9,500

Item number	Description	Expense amount	Total amount
4 Miscellaneous expenses:			
Total miscellaneous expenses from continuation schedules (or additional statements) attached to this schedule			
Total miscellaneous expenses			62,000
TOTAL (Also enter on Part 5—Recapitulation, page 3, at item 14.)			81,050

(If more space is needed, attach the continuation schedule from the end of this package or additional statements of the same size.)

Estate of: Michael Kim	Decedent's social security number
	123 45 3789

SCHEDULE K—Debts of the Decedent, and Mortgages and Liens

▶ Use Schedule PC to make a protective claim for refund due to a claim not currently deductible.
For such a claim, report the expense on Schedule K but without a value in the last column.

Are you aware of any actual or potential reimbursement to the estate for any debt of the decedent, mortgage, or lien claimed as a deduction on this schedule?	Yes	No
If "Yes," attach a statement describing the items subject to potential reimbursement. See instructions.		✓
Are any of the items on this schedule deductible under Reg. section 20.2053-4(b) and Reg. section 20.2053-4(c)? . . .		✓
If "Yes," attach a statement indicating the applicable provision and documenting the value of the claim.		

Item number	Debts of the Decedent—Creditor and nature of debt, and allowable death taxes	Amount
1	Wells Fargo Bank. Trust deed lien on ----- - San Francisco, CA California, Balance as of date of death, \$532,300 x 1/2 to community property spouse= \$266,150	266,150
2	AmeriWest Loan Company, Trust deed lien on xxxxxx, -----, CA California Balance as of date of death, \$529,000 x 1/2 to community property spouse = \$264,500	264,500
3	xxxxxxxxxx Bank, Trust deed lien on xxxxxxxxxxx, San Bruno, California, \$422,000 Balance as of date of death, \$422,000 x1/2 to community property spouse= \$211,000	211,000
4	Koolmin Bank, Trust deed loan on 2468 -----, Kangnam-gu, Seoul, Korea, Balance as of date of death, \$529,300 x 1/2 to community property spouse = \$264,650	264,650

Total from continuation schedules (or additional statements) attached to this schedule	
TOTAL (Also enter on Part 5—Recapitulation, page 3, at item 15.)	1,008,100

Item number	Mortgages and Liens—Description	Amount
1	Lien on ----- 300, Balance as of date of death, \$28,000 x 1/2 to community spouse	14,000

Total from continuation schedules (or additional statements) attached to this schedule	
TOTAL (Also enter on Part 5—Recapitulation, page 3, at item 16.)	1,020,300

(If more space is needed, attach the continuation schedule from the end of this package or additional statements of the same size.)

Estate of: Michael Kim	Decedent's social security number 123 45 6789
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SCHEDULE L—Net Losses During Administration and Expenses Incurred in Administering Property Not Subject to Claims

▶ Use Schedule PC to make a protective claim for refund due to an expense not currently deductible. For such expenses, report the expense on Schedule L but without a value in the last column.

Item number	Net losses during administration (Note: Do not deduct losses claimed on a federal income tax return.)	Amount
1	None	0
Total from continuation schedules (or additional statements) attached to this schedule		
TOTAL (Also enter on Part 5—Recapitulation, page 3, at item 19.)		
Item number	Expenses incurred in administering property not subject to claims. (Indicate whether estimated, agreed upon, or paid.)	Amount
1		
Total from continuation schedules (or additional statements) attached to this schedule		
TOTAL (Also enter on Part 5—Recapitulation, page 3, at item 20.)		

(If more space is needed, attach the continuation schedule from the end of this package or additional statements of the same size.)