



Ohio Revised Code

Section 5731.01 Estate tax definitions.

Effective: June 30, 2005

Legislation: House Bill 66 - 126th General Assembly

As used in this chapter:

(A) The "value of the gross estate" of the decedent shall include, to the extent provided in sections 5731.03 to 5731.131 of the Revised Code, the value, on the date of the decedent's death or on an alternate valuation date prescribed by division (D) of this section, of all property, real or personal, tangible or intangible, wherever situated, except real property situated and tangible personal property having an actual situs outside of this state.

(B) Subject to the provisions of section 5731.011 of the Revised Code that permit a valuation of qualified farm property at its value for its actual qualified use, the value of any property included in the gross estate shall be the price at which such property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of relevant facts. All relevant facts and elements of value as of the valuation date shall be considered in determining such value.

The rulings and regulations of the internal revenue service and decisions of the federal courts defining the principles applicable in determining fair market value for purposes of the federal estate tax imposed by Subchapter A, Chapter 11 of the Internal Revenue Code shall be applied in determining fair market value for purposes of the estate taxes imposed by this chapter, to the extent that these rulings, regulations, and decisions are not inconsistent with the express provisions of this chapter, but the actual determination of the fair market value by the internal revenue service of any asset included in the gross estate is not controlling for purposes of the estate taxes imposed by this chapter, unless the person filing the estate tax return and the tax commissioner have agreed in writing to be bound by the federal determination, as provided in section 5731.26 of the Revised Code.

(C) In the case of stock and securities of a corporation the value of which, by reason of their not being listed on an exchange and by reason of the absence of sales of them, cannot be determined with reference to bid and asked prices, or with reference to sales prices, the value of them shall be



determined by taking into consideration, in addition to all other factors, the value of stock or securities of corporations engaged in the same or a similar line of business which are listed on an exchange or which are traded actively in the over-the-counter market.

If a valuation of securities is undertaken by reference to market transactions and if the block of securities to be valued is so large in relation to actual sales on existing markets that it could not be liquidated in a reasonable time without depressing the market, the price at which the block could be sold, as such, outside the usual market, as through an underwriter, shall be considered in determining the value of such block of securities.

(D) "Alternate valuation date" means the date for valuation of a gross estate permitted by filing an election under this division. Whether or not an alternate valuation date election is available to an estate for federal estate tax purposes or, if available, is made for the estate, the value of the gross estate may be determined, if the person required to file the estate tax return so elects, by valuing all the property included in the gross estate on the alternate date, if any, provided in section 2032 (a) of the Internal Revenue Code as such section generally applies, for federal estate tax purposes, to the estates of persons dying on the decedent's date of death.

No deduction under this chapter of any item shall be allowed if allowance is, in effect, given by use of the alternate valuation date. In the determination of any tax liability of any estate in which an election is filed under this division, all provisions in this chapter that refer to value at the time of the decedent's death shall be construed for all purposes to mean the value of such property used in determining the value of the gross estate. For the purposes of the charitable deduction under section 5731.17 of the Revised Code, any bequest, legacy, devise, or transfer enumerated in it shall be valued as of the date of the decedent's death with adjustment for any difference in value, not due to mere lapse of time or the occurrence or nonoccurrence of a contingency, of the property as of the date six months after the decedent's death, or in case of its earlier disposition, on such date of disposition.

An election under this division shall be exercised on the estate tax return by the person required to file the return. When made, an election under this division is irrevocable. An election cannot be exercised under this division if a return is filed more than one year after the time prescribed, including any extensions of time granted, pursuant to law for filing the return.



(E) Unless otherwise indicated by the context, "county" means one of the following:

(1) The county in which the decedent's estate is administered;

(2) If no administration of the decedent's estate is being had, the county of residence of the decedent at the time of death;

(3) If the decedent dies a resident of another state, any county in which any property subject to tax is located.

(F) "Internal Revenue Code" means the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1, as amended.