

INHERITANCE AND GIFT TAX LAWS OF SWEDEN

PREPARED IN THE OFFICE OF THE
GENERAL COUNSEL FOR THE DEPARTMENT
OF THE TREASURY



PRINTED FOR THE USE OF THE
JOINT COMMITTEE ON INTERNAL REVENUE
TAXATION

PURSUANT TO

SECTION 1203 (b) (6), REVENUE ACT OF 1926

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON: 1938

LETTERS OF SUBMITTAL

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON INTERNAL REVENUE TAXATION,
Washington, June 13, 1938.

HON. PAT HARRISON,
*Chairman, Joint Committee on Internal
Revenue Taxation, Congress of the United States.*

MY DEAR MR. CHAIRMAN: There is submitted herewith a compilation of the inheritance and gift tax laws of Sweden, in translation, which has been prepared in the office of the General Counsel for the Department of the Treasury and made available to the Joint Committee on Internal Revenue Taxation, pursuant to a letter from the Chairman to the Secretary under date of May 6, 1937.

This compilation is one of a series of translations in preparation by the Department of the Treasury of the tax laws of certain foreign countries.

It is recommended that this translation be printed for the use of the joint committee and its staff.

Very respectfully,

L. H. PARKER,
*Chief of Staff,
Joint Committee on Internal Revenue Taxation.*

TREASURY DEPARTMENT,
Washington, April 15, 1938.

MR. L. H. PARKER,
*Chief of Staff, Joint Committee on
Internal Revenue Taxation, Washington, D. C.*

DEAR MR. PARKER: Reference is made to a letter of May 6, 1937, from Hon. R. L. Doughton, Chairman of the Joint Committee on Internal Revenue Taxation, to the Secretary of the Treasury, in which it was requested that there be sent to the joint committee a report on such foreign tax laws as may be included in the study being made in the Treasury Department.

I take pleasure in forwarding to you herewith, for the use of the joint committee, a translation of the inheritance and gift tax laws of Sweden, prepared in the office of the General Counsel for the Department of the Treasury.

Very truly yours,

ROSWELL MAGILL,
Under Secretary of the Treasury.

C O N T E N T S

	Page
Introduction.....	1
I. General remarks.....	1
II. Translation of Swedish inheritance and gift tax laws.....	4
Chapter 1. Range of the tax.....	4
Chapter 2. Inheritance tax.....	5
Inheritance shares.....	8
Chapter 3. Gift tax.....	14
Chapter 4. General rules.....	16
Payment of the tax.....	18
Delay of payment of the tax.....	19
Exemption from taxation.....	19
Refund of tax.....	20
Supervision and administration of the tax.....	21
Penalties.....	21
Temporary rules.....	23



SWEDISH INHERITANCE AND GIFT TAX LAWS

(Prepared in the office of the General Counsel for the Department of the Treasury)

INTRODUCTION

This publication is a part of a study of foreign tax laws being made by the Department of the Treasury. The "General Remarks" herein and the translation of the Swedish inheritance and gift tax laws were prepared in the office of the General Counsel for the Department of the Treasury.

Much of the material relative to the methods of collection and the amounts received per annum from inheritance and gift taxes was obtained from the Department of Commerce.

I. GENERAL REMARKS

The basic law was passed on November 19, 1914. It was amended, so far as paragraphs 19, 49, and 57 were concerned, during the year 1917. Again, in 1918, paragraphs 19, 49, 57, and 20, together with tables 3 and 4, were amended. In 1919 paragraph 19 was again amended. In 1920 paragraphs 15, 16, and 19 were again amended. In 1923 paragraphs 19, 47, and 48 were amended. In 1928 paragraphs 25, 43, 45, and 56 were amended. In 1930 paragraph 56 was amended. In 1931 paragraphs 3, 14, 18, 30, 31, 34, 35, 37, 38, 39, and 56 were amended. In 1933 paragraphs 7, 19, 26, and 56 were amended. The results of these various amendments changed the basic law from a simple and short act, so far as inheritance and gift tax laws were concerned, to the present law as existing today.

Inheritance and gift tax laws.—It is noted that there are no local or provincial inheritance taxes in Sweden, the national law being the only one in effect. Neither are there any official regulations or instructions explaining the application of the Swedish law. The Swedish courts do not require the use of any special blanks or forms in connection with the settling or the probate of estates. All such documents relating to such cases are prepared by lawyers. The courts of the 24 provinces (lans) of the Kingdom of Sweden are ordinarily in charge of estate matters, including the administration of the inheritance and gift taxes. The court having jurisdiction of inheritance and gift tax matters is located in the province where the deceased was domiciled. Proceedings for the determination of inheritance taxes should be addressed to the court having jurisdiction in such cases. There is no central government office covering the entire country for the administration of the tax.

Annual collections from inheritance and gift taxes.—The writer has endeavored to obtain information on the amounts collected in inheritance and gift tax proceedings. There do not appear to be any accurate statistics on this subject. However, from the best evidence obtainable it is estimated that the total annual collections average about 15,000,000 Swedish crowns. (The value of a Swedish crown is approximately \$0.257.) No estimates are available of amounts collected from estates or on property of persons not domiciled within the Kingdom of Sweden.

Provisions of special interest to foreigners.—The act provides in effect that if a Swedish citizen does not enjoy in a foreign country the right to inherit or to receive gifts on an equal tax basis with the citizens of that country, then the governors of the provinces are empowered to impose on citizens of the same country an extra inheritance tax or gift tax comparable to that required by the laws of such country. (See par. 56 of act.) According to the Swedish inheritance and gift tax laws, the registered shares of stock or bonds issued by Swedish companies, whether belonging to residents of the Kingdom of Sweden or belonging to nonresidents and kept outside or within the kingdom, are subject to tax at the rates specified in the act.

Divisions of the inheritance and gift tax act.—The Inheritance and Gift Tax Act of November 19, 1914, as amended up to the year 1936, is divided into three separate chapters. Chapter 1 concerns the range of the tax. Paragraph 1 of chapter 1 expressly ordains that all persons obtaining property through inheritance, will, or gift shall pay a tax thereon. However, the Crown may grant tax exemption for the value of collections of historical, scientific, or artistic character if the party receiving such articles receives no compensation in connection with the retaining of such collections.

Chapter 2 of the act relates to inheritance taxes and the rules for the computation of the values thereof, together with the tables for the rate of taxation.

Chapter 3 deals with gift taxes together with the rules for the determination of the value of the gifts and the exemptions allowed the donee of such gifts. Paragraph 38 states that the rules concerning inheritance and wills as laid down in paragraph 3, section 3, and in paragraphs 5, 6, 8, 9, 12, 13, 19, 22, 23, 25, and 30 shall also in suitable cases apply to taxation of gifts. The tables under chapter 2 relating to inheritances therefore apply, so far as the rates are concerned, to gifts.

Secrecy in proceedings under the act.—It is to be noted that in both inheritance and gift tax proceedings the proceedings are secret. The declarations and petitions are to be examined only by the proper officers and employees whose business it is to deal with such matters. The declaration and the return for such taxes are not open to investigation by unauthorized persons unless the person obligated agrees in writing to allow such inspection. The Crown may for statistical purposes examine the returns but not publish the names of individual taxpayers or any information concerning such taxpayer. The returns are kept by the Government for a period of 12 years, after which time they are permanently destroyed. This provision of the act is found in paragraph 41.

Methods for the determination of the valuation of properties.—The Inheritance and Gift Tax Act makes reference to the municipal assessment acts for the assessment of real property. This is found in paragraph 5, section 2, and again in paragraph 37. The various municipal assessment acts have rules for the assessment of property which are somewhat similar to the rules of our various States in the assessment of property. Sweden is divided into 24 provinces (lans). However, the city of Stockholm is not included in any province. The inhabitants of each province are entitled to decide for themselves various matters of common interest and to decide regarding the rates and collection of local taxes. Each province is divided into one or more municipalities. Each municipality is entitled to rather extensive local government and has also various duties to perform which in this country are considered to belong to State authorities. Each municipality has extensive taxation rights. Municipal taxes are often considerably higher than the Crown taxes. The general municipal tax consists of (a) a real estate tax; (b) a municipal income tax which is payable on the taxpayer's income, which income is assessed principally according to the same basis as the Crown income and property tax but with deductions for that amount. In order to decide the real estate tax, an assessment value is placed upon agricultural and other real estate every fifth year. That value being once established by the various municipalities, the Crown accepts at least that value and may also increase such value for inheritance and gift taxes. When the value of either an inheritance or a gift is thus determined, the tax can then be easily ascertained.

Entailed estates.—In paragraphs 7, 10, 14, and 24 reference is made to entailed estates, the method by which such estates are taxed, and the taxes thereon. It is to be noted that in a country such as Sweden there are many estates that run from generation to generation in the same family. Many of these estates are still in existence and will be in existence for a number of years to come. Sweden now has limited estates to life and lives in being. However, since many entailed estates were in existence before the passage of the Inheritance and Gift Tax Act in 1914, that act provides for the assessment of those entailed estates which were created before its passage.

Exemptions allowable.—In inheritance taxation a surviving husband or wife, natural or adopted children, and descendants of such children are exempt from the tax to a value of 1,000 crowns. That exemption is reduced to 200 crowns for all other persons.

Gifts taxable.—Attention is directed to paragraph 35 under which liability to gift taxation is incurred if in connection with the purchase, exchange, or other agreement there is such obvious disproportion between the amount paid and the article received that it is evident that the transaction has the character of a gift.

General methods for assessment.—The Kingdom of Sweden has a population of approximately 6½ millions and covers an area of over 100,000 square miles. The 24 provinces are somewhat similar to our States. The governors of the various provinces in charge of inheritance and gift tax laws have a keener insight regarding a person's property and the value of each gift and inheritance than would be possible in a country such as our own. In fact, appraisals are made of properties owned by individuals or corporations at least once in

5 years to determine, first, the value thereof; and, second, the extent thereof. On the basis of such information it is possible to determine approximately what the yield in income per annum should be from the property. The governors in the various provinces have much discretion in determining the valuation of properties both from an inheritance and a gift tax standpoint. When that value is once established by the various officers of the province, there apparently are very few contests or controversies regarding the assessment of the tax. In fact, the Swedish act does not contain any penalties with the exception of increasing the amount of the tax should the taxpayer be guilty of fraud or concealing facts of a material nature. There seem to be few such cases of record. As compared with the estates of this country, the estates in Sweden are not large. The governors and officials of the various provinces know almost exactly the value thereof.

It is also to be noted that the Swedish inheritance and gift tax laws are not drastic in their application. The act allows considerable discretion to the officials of the provinces. Should the payment of the tax at one time endanger the valuation of the property, the officials are empowered to grant such extensions of time as may be necessary in order to preserve the property.

Conclusion.—The Inheritance and Gift Tax Act is well administered in the Kingdom of Sweden. This, no doubt, is largely due to the fact that the Government officials know the value of each citizen's holdings, his income, and the line of work that he is following, together with such person's family history, not only of the present generation but for generations past. Other important factors are the homogeneity and traditions of the people. Seldom is there a dispute between the Crown and a taxpayer as to an assessment and the method of collection.

II. TRANSLATION OF SWEDISH INHERITANCE AND GIFT TAX LAWS

Inheritance and Gift Tax Act of November 19, 1914 [as amended]

CHAPTER 1

RANGE OF THE TAX

Paragraph 1.

Persons obtaining property through inheritance, will, or gift, according to the stipulations of this act, shall pay a tax to the State in a certain proportion to the value of the property. Except as to the exemptions mentioned in paragraph 47, the tax shall be paid in the form of stamp duty.

THE CROWN IS EXEMPT FROM TAXATION

Paragraph 2.

The Crown may grant tax exemption for the value of collections of historical, scientific, or artistic character, if according to an entailment charter, will, inheritance, or gift none of the parties of the estate receive any compensation in connection with the retaining of such collection.

CHAPTER 2

INHERITANCE TAXES

CONCERNING THE OBJECT FOR INHERITANCE TAXES AND VALUATION OF INHERITED PROPERTY

Paragraph 3.

SECTION 1. In connection with inheritance or will a tax (inheritance tax) shall be paid as follows:

(1) On property descending from a Swedish citizen or a foreigner, who at the time of his death was resident in the kingdom;

(2) On the following kinds of property, descending from other foreigners than those mentioned in (1):

(a) On real property located in the kingdom, as well as on utilization and enjoyment rights of such property and rights to interest, income or other benefits derived from such property;

(b) On property not mentioned under (a) located in the kingdom, such as chattels classified as organization or working capital of a business carried on here, and live stock and implements, raw materials, merchandise, articles of consumption and of similar nature, mines, patent or copyrights, capital in cash or loaned or invested in bonds or deposited in banks or elsewhere or claims, shares, bank stock, shares of business associations, corporations or shipping companies;

(c) On utilization rights of property referred to under (b), also on rights to royalties or periodical payments for utilization of such property;

(d) On Swedish shares, bank stock, or shares in Swedish business associations or shipping companies.

SEC. 2. Inheritance tax is payable on property the use of which passes to somebody for other reasons than death of the owner, and the property shall be considered to descend within the meaning of section 1, provided, however, that the tax has not been included in the computation of the inheritance tax on the estate.

SEC. 3. Persons having their domicile or permanent residence in the kingdom are considered residents.

Foreigners attached to legations or consulates of foreign powers and their servants are with regard to inheritance tax considered non-residents of the kingdom. This rule also applies to such persons' wives, children less than 16 years of age and to those of their servants who are foreigners.

No inheritance tax shall be paid on shares, bank stock and shares of business associations mentioned in section 1 (2) (d) if handed down by foreigners referred to in the preceding paragraph.

The rules of this paragraph concerning residents of the kingdom shall also apply to persons staying continuously in the kingdom without having permanent residence here.

Paragraph 4.

Property subject to inheritance taxation shall be appraised at the value prevailing at the time of the death or in the cases mentioned in paragraph 3, section 2, paragraph 14 (1) (d) or paragraph 26 at the time of acceptance or reception of the inheritance.

Paragraph 5.

SECTION 1. Property shall be appraised according to the value established in connection with the inventory of the estate, or if such record were not made, according to the declaration of acceptance of the property; however, the value of real property shall not be less than the assessment value established the previous year, or if a special appraisal has been made, it shall be valued according to the rules of section 2. Income referred to in paragraph 6 shall not be valued at a lower rate than the one determined according to the rules of that paragraph. If a sales value has not been specified in the inventory or the declaration, the value shall be established through certificates from reliable persons or through investigation by the authority to whom the inventory or the declaration was delivered. If a special assessment value has not been established, real property shall be appraised according to the rules of section 2.

SEC. 2. If, since the assessment of the preceding year, the value of a real estate property has decreased because of fire, floods or similar occurrences or through removal from the property of houses, structures or appurtenances or through lumbering, liquidation or change of business in connection with which the property was used or for any similar reason, the governor of the province in which the property is located shall, upon application of the person liable to taxation and after proper investigation, have authority to establish a separate value instead of the assessment value, and this value shall serve as a basis for computation of the inheritance tax on the property.

Real property, the assessment value of which has not been established, shall be appraised by the governor in the same manner as mentioned above.

In conformity with the rules of the Municipal Assessment Act for the assessment of real property, and with due regard to the conditions of the property at the time of death of the testator or at the time of acceptance or rejection, the applicant must give the governor all information necessary in connection with examination of the application. The governor may question the chairman of the real-estate assessment committee of the district in which the property is located, or, if the committee has discontinued its work, the chairman of the local assessment committee, and, if necessary, the governor may order the property surveyed, provided however the applicant agrees to pay this expense.

The resolution of the governor cannot be appealed.

The rules of this paragraph referring to the governor shall in the city of Stockholm apply to the Governor General for collection of taxes.

SEC. 3. If since the assessment of the previous year the value of a real estate property has decreased because of the general economic conditions, and if the amount of tax payable and calculated on the basis of the above-mentioned assessment value is 3,000 crowns or more, and if it is evident that the amount of tax calculated on this basis is an unreasonable burden, the Crown may, upon application, determine a lower value as a basis for calculation of the tax than the one that served as a basis for the assessment value.

Paragraph 6.

The value:

(1) of shares, stock certificates, bonds and similar securities shall be calculated on the basis of quotations on domestic or foreign stock exchanges, but if the security is not quoted on a stock exchange, or if circumstances indicate that the quotations do not represent the sale value, the actual realization value shall serve as a basis for calculation of the value.

(2) of debts owing to the estate that are not due and on which there is no interest charge shall be calculated on the basis of the face value less 5 percent interest per annum for the time between the date mentioned in paragraph 4 and the due date and according to table No. 1 attached to this act.

(3) of other claims shall be calculated on the basis of the face value; however, doubtful debts shall not be valued at all.

(4) of perpetual claims of interest, incomes or other benefits shall be capitalized on the basis of 20 times the amount receivable during the preceding year.

(5) of rights of utilization, interest, incomes or other benefits payable for a certain period of time or during the recipient's lifetime shall be determined through capitalization of the value of the right, based upon the value of the preceding year and on an interest rate of 5 percent per annum in accordance with the tables II, III, and IV.

(6) of rights that are not valid for a person's lifetime but nevertheless are of uncertain permanency shall be calculated at 10 times the value of the preceding year, or if the owner of the right is 75 years of age or more, at five times that value.

If the right depends upon duration of several persons' lifetimes so that the right ceases with the first death, the capitalization shall be made on the basis of the age of the oldest person. If, however, the right shall continue unchanged until the second death, the value shall be calculated on the basis of the age of the younger person.

The annual value of the right to utilization of or income from a certain property shall be appraised at 5 percent of the value of the property. Rights concerning only a part of a property or rights the annual amount of which cannot be determined according to the above-mentioned rules shall be appraised according to certificates from reliable persons or established by the authorized person who received the inventory of the estate or the declaration.

The value of foreign currency shall be calculated according to the rules of the Stamp Duty Act.

Paragraph 7.

The value of entailed estates (*fideikommissiatt*) shall be calculated as if the heir had obtained the right to the use of the property. From this value it is permissible to deduct, besides what is said in paragraph 8, also the unpaid mortgage indebtedness remaining after the death of the owner, and also the value of payments to be rendered by the new owner according to the entailment (*fideikommissiatten*) charter.

If it appears that the inheritance tax on a property of an entailed nature (*fideikommissiattur*) could not be paid in its entirety without

harm to some public historical or other interest, the Crown may, upon application, ordain that the tax shall be calculated on the basis of a value lower than the value of the entailment right.

Paragraph 8.

If property is encumbered with utilization obligations or obligations to pay interest, income or other benefits to some person, the value of the property shall be diminished by the capitalized value of these obligations. This latter value shall be calculated according to the rules for capitalizations of the value of rights. If an obligation is dependent upon duration of life or lives of several persons so that the obligation ceases with the first death, the capitalization value shall be made on the basis of the age of the older person. If, however, the obligation shall continue unchanged until the second death, the value shall be calculated on the basis of the age of the younger person.

Paragraph 9.

The following documents shall be considered proof of truthfulness of information concerning the value of a property:

(a) In connection with real estate: appraisal certificates or tax bills issued according to the regulations of the State, or if the property has been specially appraised according to paragraph 5, by the resolution of the governor.

(b) In connection with shares, stock certificates, bonds and similar securities: by brokers' or other experts' certificates.

The person liable to taxation shall furnish the proper authority with documents, certificates or other information considered necessary as evidence of the value of the property.

If under reference to paragraph 5, section 3, a person liable to taxation has applied for a special appraisal of a real estate property but is unable to furnish the governor with a resolution of the appraisal in connection with the document that shall serve as a basis for calculation of the tax, a delay shall be granted, provided however that application for a special appraisal actually has been made.

INHERITANCE SHARES

Paragraph 10.

Inheritance tax is payable on the value of the proceeds in proportion to the amount of the value of the share of each individual heir or devisee of the estate, and in this connection real property of an entailment nature shall always be considered a special type of shares.

Paragraph 11.

Heirs' and devisees' shares of the proceeds of an estate, the inventory of which has been sent to a Swedish court, shall be considered the amount established according to law; however, an entailment charter in the will of the deceased person, which was included in the inventory either in original or certified copy thereof, or which has been probated by the court, is considered to create special shares; however, in connection with the division of an inheritance the rules of paragraph 16 shall serve as a basis for calculation of the tax, and the division shall be effected according to the rules stipulated in the will.

An estate disposed of by a foreigner mentioned in paragraph 3, section 2, shall be divided according to the declaration and documents which can serve as a basis for the division.

Paragraph 12.

In cases when certain persons have received a right to the utilization of incomes or benefits from a property, the ownership of which belongs to somebody else, the rights of ownership and utilization shall be objects of separate valuations. If the right of utilization or benefits belongs to two or more persons in succession, the value of the right to utilization or benefit shall be included in the first person's share. Assignment of property with free right of disposal during the recipient's lifetime shall be considered right of ownership.

Paragraph 13.

If it is stipulated in a will that a certain person shall have utilization rights to a property or receive income therefrom, and the ownership rights at the death of the said person or at any future date shall descend to testator's living heirs or to any other living persons, and if according to the will it is impossible to determine who shall become owner of the property, the value of the utilization or benefit rights shall be considered the only asset received from testator's estate. If it is stipulated in the will that the right to utilization or benefit shall descend to two or more persons in succession, the value of the right to utilization or benefit, which by reason of the death of the possessor descends to a new possessor, shall be considered an asset received from the former's estate.

If according to a will the ownership right mentioned in this paragraph, after the death of the person having utilization rights, descends to the rightful owner, the ownership right shall be considered an asset received from the aforesaid deceased person's estate.

Paragraph 14.

The value of an estate duly forwarded to a Swedish court shall be computed according to the inventory, other documents and information, and in this connection the following special rules shall be observed:

(1) The value of the estate shall comprise

(a) chattels that have been in the possession of the deceased person in accordance with an entailment charter.

(b) the value of benefits or rights which according to the entailment charter shall belong to some other person than the new owner of the entailed property.

(c) property which was in the deceased person's possession with free right of disposal of same during his lifetime.

(d) bequests and gifts received by a partner of the estate on the condition that such bequests or gifts be returned when the estate is to be divided.

(2) The value of the estate shall *not* comprise

(a) real estate property of an entailed nature.

(b) all property which has been in the deceased person's possession due to utilization rights, of which the deceased person was neither owner nor entailed possessor, and of which he had

not free right of disposal during his lifetime. In this connection the rules relating to such property mentioned in paragraph 13 shall be observed.

(3) The indebtedness of the estate shall *not* comprise mortgages on real estate property of an entailment nature.

From the proceeds of an estate, it is permissible to deduct payment for funeral and inventory expenses, but not the amount of the inheritance tax.

If the inventory of an estate comprises assets such as mentioned above under (1) (a)-(c), the value entered into the inventory must not be less than the total value of these assets.

Paragraph 15.

In connection with the division of an estate, a tax shall not be payable by a surviving husband or wife on that share which comprises one-half of the total of the mutually owned property; provided however that according to the new marriage law nothing to the contrary has been stipulated for division of the estate that has been properly put on record, of which the original or a certified copy must be attached to the inventory.

Paragraph 16.

If to the inventory is attached the original or a certified copy of a duly drawn up document specifying the share of each heir or devisee and containing values of all assets, this division shall serve as a basis for calculation of the inheritance tax on each share; provided, however, that the total value of all assets of the inventory is not less than the total computed according to the above-mentioned rules.

Paragraph 17.

If in the inventory of an estate it appears that in addition to the heirs specified therein there are other heirs, the number of whom is unknown, the inheritance tax on the total value of the latter persons' shares shall be computed as if all these shares belonged to one person.

If the inventory discloses that no information is available as to whether or not one of the heirs specified is still alive, inheritance tax shall notwithstanding this evidence be paid on such person's share.

Paragraph 18.

In connection with computation of an inheritance share mentioned in paragraph 3, section 1 (2), the only permissible deduction is indebtedness consisting of mortgages on real estate property belonging to the estate.

Paragraph 19.

Inheritance tax shall not be paid on shares descending to a surviving husband or wife, natural or adopted child or such children's descendants, if the value of the individual share does not exceed 1,000 crowns, or on any other person's share, the value of which does not exceed 200 crowns.

TAX RATES

Class 1.—The tax on shares which according to inheritance or will descend to a surviving husband or wife, natural or adopted child or their descendants,

shall be as follows: If the value of the share is 1,000 crowns, 10 crowns; if the value exceeds—

1,000 crowns but not 3,000 crowns, 10 crowns for 1,000 crowns and 1 percent on the balance.

3,000 crowns but not 6,000 crowns, 30 crowns for 3,000 crowns and 2 percent on the balance.

6,000 crowns but not 12,000 crowns, 90 crowns for 6,000 crowns and 3 percent on the balance.

12,000 crowns but not 20,000 crowns, 270 crowns for 12,000 crowns and 4 percent on the balance.

20,000 crowns but not 30,000 crowns, 590 crowns for 20,000 crowns and 5 percent on the balance.

30,000 crowns but not 40,000 crowns, 1,090 crowns for 30,000 crowns and 6 percent on the balance.

40,000 crowns but not 50,000 crowns, 1,690 crowns for 40,000 crowns and 7 percent on the balance.

50,000 crowns but not 60,000 crowns, 2,390 crowns for 50,000 crowns and 8 percent on the balance.

60,000 crowns but not 75,000 crowns, 3,190 crowns for 60,000 crowns and 9 percent on the balance.

75,000 crowns but not 100,000 crowns, 4,540 crowns for 75,000 crowns and 10 percent on the balance.

100,000 crowns but not 150,000 crowns, 7,040 crowns for 100,000 crowns and 12 percent on the balance.

150,000 crowns but not 200,000 crowns, 13,040 crowns for 150,000 crowns and 14 percent on the balance.

200,000 crowns but not 300,000 crowns, 20,040 crowns for 200,000 crowns and 16 percent on the balance.

300,000 crowns but not 400,000 crowns, 36,040 crowns for 300,000 crowns and 18 percent on the balance.

400,000 crowns, 54,040 crowns for 400,000 crowns and 20 percent on the balance.

Class II.—The tax on shares, which according to inheritance or will descend to a father, mother, brother (half-brother), sister (half-sister), or a brother's (half-brother's) or sister's (half-sister's) descendants, or which according to inheritance or will descend to an academy, society of science, public school, scholarship foundation or institution for pensioners, as well as sick-benefit or poor-law institutions or other benevolent institutions, shall be as follows: If the value of the share is 200 crowns, 4 crowns; if the value exceeds—

200 crowns but not 1,000 crowns, 4 crowns for 200 crowns and 2 percent on the balance.

1,000 crowns but not 3,000 crowns, 20 crowns for 1,000 crowns and 4 percent on the balance.

3,000 crowns but not 6,000 crowns, 100 crowns for 3,000 crowns and 6 percent on the balance.

6,000 crowns but not 12,000 crowns, 280 crowns for 6,000 crowns and 8 percent on the balance.

12,000 crowns but not 20,000 crowns, 760 crowns for 12,000 crowns and 10 percent on the balance.

20,000 crowns but not 30,000 crowns, 1,560 crowns for 20,000 crowns and 12 percent on the balance.

30,000 crowns but not 40,000 crowns, 2,760 crowns for 30,000 crowns and 15 percent on the balance.

40,000 crowns but not 60,000 crowns, 4,260 crowns for 40,000 crowns and 18 percent on the balance.

60,000 crowns but not 100,000 crowns, 7,860 crowns for 60,000 crowns and 21 percent on the balance.

100,000 crowns, 16,260 crowns for 100,000 crowns and 24 percent on the balance.

Class III.—The tax on shares descending to churches or religious societies, counties, communes or provincial agricultural societies shall be as follows: If the value of the share is 200 crowns, 4 crowns; if the value exceeds—

200 but not 500 crowns, 4 crowns for 200 crowns and 2 percent on the balance.

500 but not 1,000 crowns, 10 crowns for 500 crowns and 6 percent on the balance.

1,000 but not 3,000 crowns, 40 crowns for 1,000 crowns and 10 percent on the balance.

3,000 but not 6,000 crowns, 240 crowns for 3,000 crowns and 15 percent on the balance.

6,000 but not 20,000 crowns, 690 crowns for 6,000 crowns and 20 percent on the balance.

20,000 but not 60,000 crowns, 3,490 crowns for 20,000 crowns and 25 percent on the balance.

60,000 crowns, 13,490 crowns for 60,000 crowns and 30 percent on the balance.

Class IV.—The tax on shares descending to some other heir or devisee than those mentioned in class I, II, or III, shall be as follows: If the value of the share is 200 crowns, 4 crowns; if the value exceeds—

200 but not 500 crowns, 4 crowns for 200 crowns and 2 percent on the balance.

500 but not 1,000 crowns, 10 crowns for 500 crowns and 6 percent on the balance.

1,000 but not 3,000 crowns, 40 crowns for 1,000 crowns and 10 percent on the balance.

3,000 but not 6,000 crowns, 240 crowns for 3,000 crowns and 15 percent on the balance.

6,000 but not 12,000 crowns, 690 crowns for 6,000 crowns and 20 percent on the balance.

12,000 but not 20,000 crowns, 1,890 crowns for 12,000 crowns and 25 percent on the balance.

20,000 but not 40,000 crowns, 3,890 crowns for 20,000 crowns and 30 percent on the balance.

40,000 crowns, 9,890 crowns for 40,000 crowns and 35 percent on the balance.

In connection with the use of these rates, the value of each share shall be reduced to the nearest lower number (rounded off) of whole hundreds of crowns.

Paragraph 20.

The Crown shall compile tables necessary in connection with the computation of the amount of taxes according to this act.

Paragraph 21.

From the amount of tax shall be deducted the deposit paid in connection with registration of the inventory at a lower city court, or in cases where according to the regulations a deposit is not required, a similar amount.

Paragraph 22.

Property that according to a will descends to a husband or wife for joint ownership shall be taxed as if the property had descended to one of the parties only, and if the husband or wife according to the tables in paragraph 19 belong to different rate classes, the property shall be taxed as if it had descended to the party of the lowest rate class.

Paragraph 23.

If a right to utilization, interest, income or other benefit descends to two or more persons, so that the right shall continue as long as any of these persons are living, or that the right shall belong to one person after another in succession during their own or some other person's lifetime, the inheritance tax shall be calculated as if the right in its entirety had descended to one of the aforesaid persons only; if the persons to whom the right descends are of different rate classes, the tax shall be calculated on the basis of the highest rate class in question.

Paragraph 24.

In connection with entailed property the tax shall be computed as if the property had descended to the entailment possessor from his nearest predecessor.

Paragraph 25.

If property according to inheritance or will passes to a person for some other reason than testator's death, and the tax was not paid at

the time of registration or when the inventory was made up, but is to be paid each time the property is transferred to some new possessor, the tax obligation shall be fixed according to the mutual obligations existing between the new possessor and testator; however, the tax obligation shall be determined according to these mutual obligations existing between the new and the former possessor involving the lowest tax rate.

Paragraph 26.

If within 10 years prior to testator's death heirs or devisees have received gifts, which according to paragraph 33 (a) and (b) are not exempt from taxation, and the condition for granting such gifts was that testator, or if he was married his wife or descendants or adopted children, shall have the right to utilization, income or other benefit from the property, or if an heir or devisee within 4 years prior to testator's death or at his death received from him any other gift, which according to paragraph 33 (a) and (b) is not exempted from inheritance taxation, the value thereof shall be added to the value established for the share of said heir or devisee according to the aforesaid rules in order that the inheritance tax may be computed as if all had been inherited at one and the same time.

Deduction shall be made for the tax paid previously, but the amount of the inheritance tax shall under no circumstance be less than the amount of tax computed on the inheritance share here in question.

When the inventory is delivered for registration, it shall contain information about gifts of the above-mentioned character.

Paragraph 27.

If in connection with the computation of the inheritance tax the following has not been taken into account:

- (a) a will which was probated later;
- (b) a will approved by the heirs, although it was not probated;
- (c) gifts of the character mentioned in paragraph 26,

so that, if the will is taken into account, the amount of the tax becomes higher than the amount computed previously, the heir or devisee shall pay an additional tax equivalent to the difference between the previously computed inheritance tax and the tax due when the will or gift is taken into account.

Paragraph 28.

If the computation of the inheritance tax was based on a will, which by verdict of a court has been declared wholly or partly void, and if because of the canceled stipulations of the will the amount of tax should have been higher than the amount actually paid, the participants in the estate benefiting by the cancelation shall pay the balance of tax due.

Paragraph 29.

Liability to taxation is involved:

- (a) in the cases mentioned in paragraph 27, when the heirs approve the will;
- (b) in the cases mentioned in paragraph 28, when the verdict of the court takes effect;
- (c) in connection with property left behind by a foreigner, in connection with property which according to a will descends to

some person for some other reason than the possessor's death, and on which according to paragraph 3, section 2, tax shall be paid, and in cases mentioned in paragraph 27, when heirs or devisees shall take possession of the property.

Paragraph 30.

According to this act, the tax shall be paid on property handed down abroad, and if an inheritance tax has been paid in the foreign country, the Crown, upon application, shall be authorized to decrease the tax by the amount paid abroad.

The above-mentioned rules shall not apply to a tax paid in foreign countries on property mentioned in paragraph 3, sections 1 and 2.

CHAPTER 3

TAX ON GIFTS

Paragraph 31.

Provided in this act something else has not been stipulated to the contrary, the following persons are liable to payment of tax on gifts:

(a) Swedish citizens, foreigners residing in this country, Swedish church congregations, communities, foundations, factories, institutions, corporations, associations of an economic character as well as Swedish lawyers: on gifts consisting of real estate property or chattels in the kingdom or in foreign countries, and

(b) all other foreigners than those mentioned under (a) and also foreign corporations and lawyers who are not citizens of Sweden:

on property mentioned in paragraph 3, section 1 (2).

Paragraph 32.

The following are exempted from payment of tax on gifts: churches, religious communities, counties, communes, provincial agricultural associations, academies, societies of science, public schools, scholarship foundations, sick-benefit and poor-law institutions and other benevolent foundations, registered sick-benefit associations, and associations and societies the purpose of which is not to support the economic interests of their members, but to support chiefly religious, charitable, political, social, scientific, artistic and other cultural pursuits or aiming at the support of commerce, industry or other trades in the kingdom.

In the following cases exemption from payment of tax is *not* granted:

(a) If the gift has been granted on the condition that the grantor during his lifetime or during a certain time shall retain possession of the property.

(b) Or if the income of the property for the future or for a certain time has been reserved to certain families or persons.

Paragraph 33.

In the following cases there is no tax liability:

(a) In connection with gifts consisting of furniture or other domestic chattels serving the personal use of the recipient of the gift or the members of his family, or gifts for the adornment or

furnishing of public buildings or for beautification of public squares, or gifts to public museums, libraries or similar collections.

(b) Gifts that are contributions to education or for periodical support thereof; or gifts that according to the Income Tax Act shall be included in the taxable income of the recipient.

(c) Gifts the value of which does not exceed 3,000 crowns; however, if within 4 years the recipient receives several gifts from the same person, he is liable to taxation if the total value of all the gifts exceeds 3,000 crowns.

Paragraph 34.

Irrespective of the fact whether or not a written document has been drawn up, liability to taxation begins from the date the gift was received, or in the cases mentioned in paragraph 35, second section, the date when the insurance recipient obtained the right to dispose of the insurance as mentioned in the Insurance Act; however, in the case of insurance of capital where the insurance has been paid in advance, liability to taxation begins at the date the payment was received.

Paragraph 35.

Liability to gift taxation is incurred if in connection with a purchase, exchange, hire or other agreement there is such obvious disproportion between the mutual liabilities that it is evident that the transaction has the character of a gift.

Liability to gift taxation is also incurred on benefits obtained by persons who in accordance with the Insurance Agreement Act have been installed as recipients, or persons who according to paragraph 104 of the above-mentioned act are participants in a deceased person's estate. However, if the insurance covers:

(a) the insured person's wife or if according to the agreement payments shall be rendered during not less than 10 years, and provided also that in cases where the premiums are evenly distributed over 10 years no single annual payment exceeds one fifth of the total of all premiums payable:

or (b) accident or sickness—

15,000 crowns shall, in connection with the calculation of the gift tax, be deducted from the amount considered due to the recipient, and only the remaining amount shall be taxed. However, the total amount deductible consisting of payments received upon order of one single person shall not exceed the amount mentioned above.

Installment payments which are rendered by one and the same person to an interest or capital insurance company and which shall be repaid in one single amount to a benefit recipient shall be considered as one single insurance contracted at the date of the first installment payment, and as if it had been stipulated that the premiums should have been paid at the date the installment payments were rendered.

If after an insured person's death the insurance is payable to the person's wife, and if the insurance has been included in the insured person's estate, the part of the insurance corresponding to the non-taxable amount mentioned in paragraph 15 shall not be liable to gift taxation.

Right to annuity mentioned in paragraph 32, section 2, (a)–(c) of the Communal (Municipal) Assessment Tax Act shall not be liable to gift taxation; the same rule shall hold good as to other annuities, if the total amount received by the recipient by order of one and the same person does not exceed 1,500 crowns annually.

Paragraph 36.

In connection with computation of the tax, other gifts shall also be considered which are liable to taxation and which the recipient has received during the last 4 years from the same donor, and the tax shall be calculated on the total value of all gifts, but the tax paid on previously received gifts shall be deducted; the tax shall be calculated on the basis of the actual value of the gifts.

The tax on gifts received from several donors shall be calculated on the value of the gifts from each donor.

Paragraph 37.

The existing relationship between the recipient and the donor shall be the basis for computation of the tax according to this chapter; provided however that the rules of paragraph 25 concerning determination of mutual liability between a new and a former possessor, together with paragraph 38 shall not apply here.

Property liable to taxation according to this chapter shall be taxed at the value existing at the time taxation liability was incurred.

Paragraph 38.

The rules concerning inheritance and wills laid down in paragraph 3, section 3, and in paragraphs 5, 6, 8, 9, 12, 13, 19, 22, 23, 25, and 30 shall also, in suitable cases, apply to taxation of gifts.

CHAPTER 4

GENERAL RULES

Paragraph 39.

Within 3 months after the date liability to taxation according to this Act has been incurred, the person liable, or the person in charge of a foreigner's estate, shall, in the cases mentioned below, issue a declaration, that shall serve as a guide for computation of the tax; these cases are the following:

(1) When according to inheritance or will property has been handed down by a foreigner;

(2) When according to inheritance or a will a person has received a property for other reasons than the former owner's death and the tax has not been included in the inheritance tax on testator's estate;

(3) When property has descended to a person according to a will, which, although not probated, has been accepted by the heirs and the property was not taken into consideration in connection with the compilation of the inheritance tax on testator's estate;

(4) When property has descended to a person according to a will which was partly or wholly declared void by a court, provided however that the amount of inheritance tax on said property would have been larger if the canceled clauses had not been taken into consideration in connection with compilation of the inheritance tax;

(5) When the property has descended to a person as a gift or similar benefit as mentioned in paragraph 35.

The declaration concerning gifts or other benefits mentioned above in (5) or concerning property acquired in cases other than the former owner's death shall be forwarded to the governor of the province in which the person liable to taxation resides or to whatever judicial person is concerned in the jurisdiction where the administration has its seat, or if the declaration concerns inherited or bequeathed property in general, to the governor of the province in which testator resided. If there is no such authority to whom the declaration can be forwarded, it shall be delivered to the governor.

The local district attorney or the mayor of a city, other than the one in which the governor of the province is residing, shall be obligated to receive such declarations and forward them to the governor of the province.

When a beneficiary of an insurance has been approved, the underwriter of the insurance mentioned in the Insurance Agreements Act shall, within 1 month after having been informed of such transaction incurring liability to taxation, report the matter to the governor of the province in which the beneficiary is residing, and shall in this respect act according to the rules laid down by the Crown with regard to determination of the tax liability. However, the above-mentioned obligation shall not apply to cases in which the value of the insurance, or the total amount of several insurances, does not exceed 3,000 crowns.

The rules of this paragraph referring to the governor of the province shall, in the city of Stockholm, apply to the governor general.

Paragraph 40.

The declaration shall be confirmed by oath and contain the name, place of residence of the former owner, the mutual liability between him and the recipient, character of the property and its actual value, and, concerning gifts, information about other possible gifts, which according to paragraph 36 shall be taken into consideration in connection with compilation of the tax. If deduction of previously paid taxes shall be made, the person obligated to issue the declaration shall include the name of the former owner.

The declaration shall be issued in two copies and shall be accompanied by documents containing information about the facts upon which the liability to taxation was based.

The officer dealing with the matter shall issue free of charge to the person liable to taxation a receipt for the declaration and for the amount of tax paid.

Paragraph 41.

The declaration shall be examined only by the proper officers and employees whose business it is to deal with such matters. Declarations shall not be open to investigation by unauthorized persons, except if the person obligated agrees in writing to publication of the declaration. However, the Crown may ordain that for statistical purposes the declaration shall be forwarded to the Government bureau dealing with statistics.

Except for the time the declaration according to paragraph 53, section 2, is in the possession of a court, it shall be kept on file in the office of the governor for 12 years, after which time it shall be destroyed.

PAYMENT OF THE TAX

Paragraph 42.

According to this act the tax shall be paid as follows:

(a) On the date of registration of cases in connection with which an inventory has been drawn up; if, however, the property is located in several places, so that several inventories must be drawn up, the tax shall be paid on the date of registration in the place where the deceased person was or should have been census-registered.

(b) On the date of the release of a will, which was probated after the inventory was drawn up, provided the property according to paragraph 27 (a) is liable to taxation.

(c) On the date when, in connection with an entailed estate, probate was applied for.

(d) In cases where according to paragraph 39 a declaration is obligatory, the tax shall be paid on the date the declaration was delivered to the proper authority.

Except in cases in which delay has been granted, the tax shall be paid by having those documents stamped which served as a basis for compilation of the tax; however, in the cases mentioned under (b) the certificate of probate of the will shall be stamped.

Paragraph 43.

Officials who by virtue of their office shall receive documents which according to paragraph 42 shall be stamped shall furnish the necessary stamps, and these stamps shall be bought from them and these officials shall affix the stamps upon the documents.

Paragraph 44.

In case an inventory or an entailment charter has not been accompanied by funds for payment of stamps, and if upon request funds are not provided, the official shall refuse to receive the documents.

Paragraph 45.

In case a declaration received by the governor has not been accompanied by funds for payment of stamps, the governor may ordain collection of the tax according to the rules for collection of unpaid State revenue.

Paragraph 46.

Inheritance taxes payable in connection with registration of an estate shall be paid with funds belonging to the estate. Each person receiving a part of an estate shall upon receipt of his share pay his part of the tax plus interest of 5 percent per annum. If property is taxable both on the ownership right and on the right to utilization or benefit and the owner obtains possession of the property only at a future date, the person receiving the property from testator shall also pay the amount of tax on the ownership right; however, this latter part of the tax shall be refunded to the above-mentioned recipient of the property by the person obtaining the property with ownership right, depending, however, upon the conditions of transfer of the property. If the right to utilization or benefit shall belong to several persons in succession, the successor shall at the transfer of the property pay to the former possessor the amount of tax on the remaining value of the right.

DELAY OF PAYMENT OF TAX

Paragraph 47.

SECTION 1. (A). If the estate does not possess cash, bonds, or other easily marketable papers to twice the amount of the inheritance tax on the estate, or if a person liable to taxation according to this act only with difficulty can make immediate payment of the entire amount of tax on the property, or if the amount of the tax is not less than 500 crowns, the court or the governor may ordain that the tax shall be paid in five annual installments.

(B) If it is found that a recipient is unable immediately to pay the tax on right to utilization, interest, income or other benefit or on an entailed estate, a delay shall be granted as mentioned above irrespective of the amount of the tax. If the tax refers to class II, III, or IV, delay shall be granted for a maximum of ten equal annual installments. If the tax refers to class I and circumstances warrant, the Crown may grant delay as mentioned above.

SEC. 2. Persons liable to taxation and desirous of obtaining delay according to this paragraph shall apply in writing when the document upon which the compilation of the tax has been based is delivered to the proper authority; the application shall only be dealt with if it is accompanied by a bond which covers the amount of tax and which is issued to the order of the Crown. In the cases mentioned in section 1 (A), the person liable shall also give security acceptable to the court or to the governor.

SEC. 3. That part of the tax payment of which cannot be deferred shall be paid according to the general rules for payment of taxes. The date of the first annual installment of deferred tax payments shall be 1 year after the delay was granted. Subsequent installments shall be paid on the same date of the year in which the payment is due. Interest on the unpaid balance shall be paid at a rate of 5 percent per annum.

SEC. 4. In case delay has been granted, the document shall be furnished with stamps equal to the amount of cash actually paid, and the document shall carry a statement to the effect that a debenture bond covering the balance of the tax has been issued.

SEC. 5. Persons liable to taxation shall be permitted to render payments before the due date.

If because of the death of a guarantor or for some other reason the security has diminished, and additional acceptable security is not given, the balance of the tax becomes due for immediate payment.

SEC. 6. The governor shall keep account of the unpaid taxes referred to above; the governor shall also supervise the administration of collections so that payments are made at the due dates and that the funds so received are accounted for as stamp duty revenue.

SEC. 7. In the city of Stockholm the rules of this paragraph referring to the governor shall apply to the governor general for collection of taxes.

EXEMPTION FROM TAXATION

Paragraph 48.

SECTION 1. Deceased persons liable to taxation according to this act, or owners of entailed properties who died before they took possession of the property, are exempt from taxation.

SEC. 2. If the owner of an entailed property liable to taxation under class I dies within 2 years from the date he took possession of the property, or if the owner of an entailed property liable to taxation under class II or IV dies within 5 years from the date he took possession of the property, the part of the tax shall be canceled the payment of which was not due at the time of the death. With regard to cases in which according to paragraph 47, section 1, B, the Crown has granted delay, the death of the owner shall not involve cancellation of the tax to an amount more than the amount which would have been canceled if delay had been granted for only 5 years. If an owner of an entailed property who did not ask for delay, but paid the tax in its entirety, dies before the expiration of the following terms, the part of the tax shall be canceled which would not have been due if delay had been granted, i. e., in inheritance cases under class I: 3 years; class II or IV: 6 years.

The above rules shall also apply to persons holding a life-long right to utilization, interest, income, or other benefits.

REFUNDS OF TAX

Paragraph 49.

SECTION 1. Persons entitled to cancelation of tax already paid, or persons who, because of circumstances that occurred after the tax was paid or circumstances which were not known at the time of payment of the tax, have paid an amount of tax larger than the amount due according to this act are entitled to obtain free of charge a refund of the excess amount of tax paid, in the order stipulated for refund of state taxes.

If a refund of the character mentioned above is asked for because some of testator's debts were revealed after the inventory was drawn up, application for refund must be made within 2 years from the date of registration of the estate.

SEC. 2. Persons who according to section 1 claim a refund of the whole or part of the tax shall within 6 months from the date of payment of the tax apply to a court. Persons, including a district attorney acting in the interests of the state, dissatisfied with the verdict of the court may appeal the verdict in conformity with the law concerning appeals to a higher court of matters of dispute or of matters dealing with money or money's worth.

If in connection with a claim for refund of tax mentioned in this section the claimant is unable to make application within the stipulated time limit, the claimant may, upon application to the Crown and according to circumstances, be granted refund of taxes paid in excess.

SEC. 3. Persons who, according to section 1 and 2, first section, have been granted refund of taxes are also entitled to receive interest on the amount of tax refunded at a rate of 5 percent per annum from the date of payment to the date of refund; however, interest shall not be granted beyond 30 days after the verdict of the court went into effect; and in connection with cases that must be brought before a court, interest shall only be paid from the date the case was actually carried to the court.

If refund of a tax is granted according to section 2, second paragraph, the Crown shall fix the amount of interest which shall be paid

to the applicant; however, interest shall not be granted at any higher rate or for any length of time more than said in the first paragraph of this section.

SUPERVISION AND ADMINISTRATION OF THE TAX

Paragraph 50.

Officials and employees authorized to receive documents subjected to stamp duty taxation shall observe that the documents are properly stamped.

Paragraph 51.

According to previously mentioned rules the record for registration of inventories of inheritance estates shall contain information concerning the shares of each person of the estate, the amount of inheritance tax on each share, or, if tax exemption has been granted, an information to this effect, concerning the amount of stamp duty on the estate, and, if delay has been granted, an information to this effect. If stamp duty has been paid according to paragraph 27 (a), the record shall contain information about the reason why stamp duty was specially charged.

Paragraph 52.

If a will was probated before the inventory of testator's estate was delivered for registration, there shall be inserted in the margin of the record mentioned in paragraph 51 a remark to the effect that the inventory has not been registered; in connection with a will that has been probated after the inventory was registered, the date of registration shall be entered on the margin.

The stipulations of the Stamp Duty Act concerning remarks in the margin of the record of a lower court shall apply to documents taxable according to this act.

Paragraph 53.

SECTION 1. The rendering of account for stamp duty on documents which pertain to this act and which are being forwarded to a court and the auditing of these accounts shall be carried out as stipulated in the Stamp Duty Act with regard to documents that are subject to stamp duty and that shall be forwarded to a court.

SEC. 2. Declarations received by the governor shall be entered into a register containing information about the name of the persons liable to taxation, their place of residence and the amount of the tax, and, if delay of payment of the tax has been granted, also information to this effect, but no other details of the declaration shall be entered.

For the purpose of controlling proper stamping, the governor shall forward to the court annually before April 1 of the next year a copy of this register, accompanied by the declaration and documents as well as number 2 of the stamps, and when the auditing of the stamping is finished the declarations and documents shall be returned to the governor.

PENALTIES

Paragraph 54.

SECTION 1. Any person who has made a declaration of the estate of a deceased person and deliberately concealed information about the value of the estate or given false information of a character which

led to compilation and computation of an amount of tax lower than properly should have been paid shall pay a penalty twice the amount of the deficiency of the amount of tax calculated, but not less than 25 crowns. The court to which the inventory of an estate is forwarded may, upon petition of the district attorney, demand that the person who makes declaration about an estate shall confirm his statements by oath.

SEC. 2. Persons who knowingly have given untrue information in connection with a declaration which leads to payment of an amount of tax less than properly should have been paid shall pay a penalty according to the rules of section 1.

SEC. 3. If the declaration is not accompanied by information as prescribed for computation of tax liabilities, the governor may ordain that the person obligated to file such declaration shall give such information.

SEC. 4. Persons who within the stipulated time do not present a declaration shall pay a penalty of a maximum of 500 crowns. Upon suggestion of the district attorney the court shall order the negligent person to comply with the rules of this act.

SEC. 5. Persons violating the rules of this paragraph shall compensate for the Crown's detriment.

Paragraph 55.

Any violation mentioned in paragraph 54 shall be brought to court by the district attorney.

Paragraph 56.

The Crown may grant exemption from the rules of this act concerning liability to taxation of a property left behind by a foreigner or for property received as a gift by a foreigner as mentioned in paragraph 3, section 1 (2); provided, however, that the foreign power grant similar exemption to Swedish citizens.

An agreement to this effect with the government of a foreign power shall remain in effect not less than 6 months after notice of termination of agreement has been served.

If the Crown according to paragraph 7 of the Inheritance Act or chapter 1, paragraph 3, of the act concerning wills has ordained that besides the inheritance tax a special tax shall be paid on property which according to inheritance or will descends to a foreigner, this special tax shall be collected according to the rules mentioned above and according to the regulations of this act that apply to such matters.

Paragraph 57.

The rules of the Duty Act shall hold good in connection with the obligations of officials and employees to cancel stamps and in certain cases to issue receipts for stamps or payments for stamps, and in connection with arrangements, time and manner of procedure for complaints against officials or employees who have made mistakes in connection with stamping of documents, and in connection with the power of the district attorney to sue a person in court and to appeal a verdict of a court connected with such law suits and with matters of penalties.

TEMPORARY RULES

The rules of paragraph 26, 33 (*e*), and 36 ordaining that, in connection with computation of taxes, previously received gifts shall be taken into consideration shall not apply to cases mentioned in paragraph 26 which occurred before April 20, 1911, and also not to cases mentioned in paragraph 33 (*e*) and 36 concerning gifts received before June 10, 1911, or gifts received before this act went into effect and in connection with which stamp duty was paid according to law.

This act goes into effect January 1, 1915, and cancels the act of June 22, 1911, concerning delay of payment of stamp duty on inherited property.

Tables No. I-IV are the same as the tables compiled for the "National Income Tax Act" of September 28, 1928.

