

**FORM 709 REVISED**  
**VALUATIONS MAY BE REQUIRED FOR GIFTS**

Form 709 [U.S. Gift (and Generation-Skipping) Tax Return] was revised in December 1996. The revised form now requires the tax payer to attach a "factual basis for the claimed discounts" to his or her tax return if he or she is reporting any gifts that reflect "...a discount for lack of marketability, a minority interest, a fractional interest in real estate, blockage, market absorption, or for any reason..."

Anthony F. Mollica and Associates, Inc. seeks to inform our clients and referral sources of the latest valuation developments that may affect you and/or your clients. We bring this revision to your attention so that you might better serve the needs of your clients.

Anthony F. Mollica and Associates, Inc. specializes in both **real estate** and **business valuations** and provides **appraisal review** and **consulting services**. Through valuation affiliates, we provide the valuation of **machinery** and **equipment**, art, gems, antique automobiles, intellectual properties, licenses, and other rights. Appraisals are prepared for estate planning, divorce, shareholder derivative action, litigation support, condemnation, and other purposes requiring independent appraisals.

The *valuation of partial interests in closely-held companies*, partnerships, and real estate requires a knowledge of both **business valuation** techniques and the valuation of underlying assets; i.e., **real estate, leased fee interests, leasehold interests, limited partnerships, general partnerships, warrants, and debentures**. Most often, the valuation of partial interests requires the appraiser to work closely with attorneys to interpret the value impact under buy/sell agreements in partnership or agreements between shareholders in corporations.

The valuation profession is governed by institutes and societies to provide its members with an understanding of the valuation techniques, requirements, and procedures of the valuation process. The professionals of Anthony F. Mollica and Associates, Inc. have earned designations in the following: MAI (Member of Appraisal Institute), CRE (Counselor of Real Estate), ASA (American Society of Appraisers), and CBA (Certified Business Appraiser).

This notice does not constitute legal, tax or valuation consulting. It is offered as information to our clients and referral sources. Specific guidance for legal and accounting matters should be directed to the appropriate professionals.