

What Do I Do Now?



The funeral is over, all the flower cards have been put away, and acknowledgements of appreciation have been sent to the many friends who supported you through the trauma of the illness and death. The funeral director has filed the proper papers as requested by law or required by law.

The emptiness and void remain and seem to be overwhelming at times, and wherever you look you are confronted with a reminder of the one who is no longer a living part of your daily life. Suddenly you are reminded that you are responsible for administering the estate. What does that mean? What must I do? Must I have a lawyer? What about the other family members' involvement? Do I need to go to the courthouse? What papers will I need?

The following checklist is to be used as a guide. It is not intended to be exhaustive, nor is it intended to be a substitute for legal counsel or tax advice, which should be sought on specific matters. Rather, it is submitted as a guide in hopes that the task will be a little less confusing and a little less stressful for those who have the responsibility assigned to them.

1. Find important Documents

- Locate and collect important papers, such as the Will and codicils if any, certified copy of the death certificate, deeds, stock certificates, bonds, vehicle titles, life insurance policies, certificates of deposit, bank books and statements for checking and savings accounts, money market accounts, income tax returns, etc.

2. Obtain Additional Death Certificate Copies

- You should request extra copies of the certified death certificate for assistance in filing with various insurance companies and financial institutions.

3. Identify Sources of Income

- You can review the prior year tax returns to help identify sources of income, retirement and investment accounts.

4. Identify Accounts that Should be Closed

- You can review the prior year's banking and credit card transactions to identify insurance policies, memberships, services and other items that may need to be canceled or closed.

5. What if There is No Will?

- If there is no will, determine who will be the administrator and bond requirements if applicable; ascertain the heirs, who may collectively designate the administrator and agree to the waiver of bond.

6. Give the Estate Representative Authority to Act

- Obtain and complete the application for either Probate and Letters Testamentary (Will) or Letters of Administration (no Will) which requires 1) "Preliminary Inventory" of assets and 2) the addresses of all beneficiaries/heirs (use application forms provided by Clerk); "letters" give the estate representative the authority to act; the value of assets need only be estimated or approximate for the preliminary inventory.

7. Deliver Documents to Clerk's Office

- Take an original death certificate, the Will (if any) and completed Application for Letters to the Clerk's office. (The Clerk will generally assist in completion of the Application upon request, but the Clerk cannot provide legal advice and will direct you to an attorney.)

8. Obtain "Letters" from Executor or Administrator

- Personal representative (executor or administrator) appears and qualifies upon oath before the Clerk who will then issue him/her "letters" (request several copies for transferring certain property, e.g. bank accounts and securities.)

9. Give Notice to Creditors

- Publish "Notice to Creditors" in the local newspaper, obtain "affidavit of publication" from the newspaper and file it with the Clerk (creditors have three months (in North Carolina) from the date of the first publication to present their claims; the Estate cannot be closed before the expiration of this three-month period) – also mail this notice to all known creditors of the decedent if any and file "Affidavit of Notice" form confirming this.

10. File Appropriate IRS Form

- File IRS Form SS-4 to obtain taxpayer ID number for the estate; this number is required for the estate checking account and also to file fiduciary income tax returns, if any.

11. Open Estate Checking Account

- Open estate checking account with a bank to pay debts of the estate, expenses, distributions to beneficiaries/heirs, and administration fees; keep detailed financial records of all transactions.

12. Was There a Safe Deposit Box?

- Check with decedent's banking relationships to see if there was a safe deposit box.

13. Transfer Assets, File Insurance Claims, etc.

- Ascertain, take custody of, and determine the date-of-death value of decedent's assets; transfer ownership of stocks, bonds and real estate; transfer motor vehicle titles; file insurance claims; notify organizations providing retirement benefits, annuities and pensions. Request removal from applicable policies.

14. Was Decedent a Veteran?

- If decedent was a veteran, he/she may be entitled to VA burial allowance and he/she and other non-veteran decedents may also be entitled to a Social Security death benefit. The funeral director will usually make these claims.

15. Notify IRS of Personal Representative

- Notify IRS of the personal representative's existence and address so IRS will send any information concerning the decedent's taxes directly to the personal representative; also notify IRS that no further estimated tax payments will be made on behalf of the decedent.

16. Give Notice to Social Security Administration and Medicare

- Notify the Social Security Administration (and Medicare) of death and file for benefits, as appropriate.

17. Give Notice to Post Office

- Notify the Post Office and have decedent's mail forwarded if necessary.

18. Give Additional Notices

- Notify other companies as necessary (PayPal, airline miles, eBay, Amazon, email accounts, online storage and applications such as Netflix, Kindle and Apple as well as online photo applications.

19. Appraisals

- Have appraisals made of property if necessary.

20. File Property Inventory

- File 90-day Inventory of Property with the Clerk (form provided by Clerk), accompanied by appropriate filing fee. (Note; the exact "date of death" value of all assets must be listed on the 90 day Inventory.)



21. File Final Tax Return

File decedent's final income tax return by April 15 of the year following the year of death.

22. File Fiduciary Tax Returns



Within 3 ½ months after the end of each fiscal year of the estate, file federal and state fiduciary income tax returns. An estate is a separate taxpayer on income earned by it (e.g. interest, dividends, etc.) during the process of administration. It is usually helpful to seek an accountant's services for advice and preparation of fiduciary returns.



23. File Estate Tax Returns

File the federal estate and state estate tax returns, if required.

24. File an Annual Account with the Clerk



File an annual account with the Clerk within 30 days after expiration of one year from the date the personal representative qualified, and annually thereafter until the final account is filed. Accounts should be supported by canceled checks or paid receipts.



25. Distribute Property to Beneficiaries

Distribute property to beneficiaries/heirs. Obtain written receipts for all property distributed.



26. File Petitions with the Clerk

File petitions with the Clerk requesting approval of attorney's fees and personal representative's commissions, if sought.



27. File the Final Account with the Clerk

File the final account with the Clerk supported by canceled checks or paid receipts. (Note: if the final account is filed before the annual account is due, as is often the case, no annual account will be necessary); pay Clerk's fees and any costs (final payment must be made by certified check or law-firm check). The personal representative's duties and the estate is closed upon acceptance of the final account by the Clerk.



28. Give Notice of End of Representative's Duties and Closed Estate

Notify IRS that the personal representative's duties have ended. Notify the surety on any bond that the estate is closed.



29. Close the Estate Checking Account

Close the estate checking account (note: this effectively occurs when all checks incident to final distribution, expenses and Clerk's costs and fees have cleared; be wary of any bank service charges and ensure any interest is stopped before final account is computed).



30. Give Notice to Others to Update Beneficiaries and Wills

Anyone who may have had the deceased listed as a beneficiary should update their beneficiaries and will.

If there are multiple beneficiaries or heirs, make every effort to keep them informed of your actions on their behalf and consult with them if possible, especially where there is no Will. You should keep copies of all transactions with the Clerk of Court, the attorney, insurance companies, banks and other persons that relate to the resolution of the estate. There are potential tax implications and tax advantages that should be discussed with legal counsel or an accountant.