

# Basic Estate Information and Timetable



## Decedent

Name: \_\_\_\_\_ Date of Death: \_\_\_\_\_  
Address: \_\_\_\_\_ Date of Will (and Codicils): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Legal Domicile: \_\_\_\_\_  
Municipality: \_\_\_\_\_ County: \_\_\_\_\_  
Year Established: \_\_\_\_\_ Place of Death: \_\_\_\_\_  
Social Security Number: \_\_\_\_\_ Date of Birth: \_\_\_\_\_  
Place of Birth: \_\_\_\_\_ Citizenship: \_\_\_\_\_

## Estate

Date of Letters: \_\_\_\_\_ Type of Letters: \_\_\_\_\_  
Register Number: \_\_\_\_\_ Orphans Court Number: \_\_\_\_\_  
Federal I.D. Number: \_\_\_\_\_ Taxable Year: \_\_\_\_\_  
Date of First Complete Advertisement of Letters: \_\_\_\_\_ PA Inheritance Tax File Number: \_\_\_\_\_  
\_\_\_\_\_

## Executors - Trustees

Name	Address	Phone	Social Security Number

## Beneficiaries

Name	Address	Relationship to Decedent	Social Security Number	Birth Date (if a minor)

Advisors (investment advisors, stock brokers, accountants, insurance agents)

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## Timetable of Administration

### Before Probate



- Review will and any separate writings for funeral and burial instructions
- Locate cemetery deed
- Determine person(s) responsible for decisions about funeral arrangements, burial site, gravemarker, etc.
- Estimate number of death certificates needed
- Safeguard decedent's residence and place of business

### Probate



- Obtain death certificates
- Prepare local or statewide probate petition and statewide estate information sheet
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- Locate subscribing witnesses and arrange their participation in probate, if will is not self-proved
- Prepare oath or affidavit of subscribing witness for any witness who will not appear, if will is not self-proved
- Arrange bond, if will does not waive entry of security
- Draft fee agreement letter to communicate the basis or rate of the counsel fee to be charged

## For Immediate Attention after Probate



- Notify local post office to forward mail
- Legal advertisement of grant of letters
- Remind executors to arrange adequate security and insurance for residence and tangible personal property, including car, with appropriate endorsements to policies

## Steps to Organize Administration



- Obtain federal I.D. number
- File notice of fiduciary relationship (IRS Form 56)
- Open estate bank account(s)
- Arrange inventory of safe deposit box contents by representative of Commonwealth or bank officer
- Notify Social Security Administration to discontinue benefits
- Consider sending notice of death to clubs, professional organizations, educational institutions to stop mail
- Search for and collect papers and records:
  - Birth certificate, marriage certificate, military service records, social security card, Medicare card, driver's license, and health insurance card
  - Federal and Pennsylvania income tax returns for minimum of four completed taxable
  - Personal property tax returns for minimum of five years before death
  - Any Federal gift tax returns filed
  - Records needed to prepare "life period" income tax returns
  - Bank account records (statements, passbooks and cancelled checks) for year of death and minimum of four completed taxable years before death
  - Prenuptial or postnuptial agreements
  - Employment agreements
- Life insurance:
  - Locate policies and verify beneficiary designations
  - Obtain and submit claim forms
  - Obtain IRS Form 712 for each policy
- Bank accounts and certificates:
  - Close and collect balances
  - Obtain date-of-death valuation letters from each bank
- Securities:
  - Re-register into certificates or brokerage account in names of Executors
  - Obtain date-of-death valuation

- Life insurance:
  - Locate and review deed
  - Locate and review any leases; consider notice to lessor to terminate lease
  - Review insurance coverage, maintenance and security arrangements
  - Appraisal of date-of-death value
- Tangible personal property:
  - Consider need for inventory and appraisal of date-of-death value
  - Review any separate memoranda or instructions for disposal of tangibles
  - Consider sale or formula for distribution
- Employee benefits:
  - Check with employer as to entitlements
- Government benefits:
  - Check with Social Security Administration and V.A. for benefits payable to the estate or beneficiaries
- Business interests:
  - Financial statements, balance sheets, and profit/loss statements for any closely held business interest for five years before death
  - Partnership agreements, shareholder agreements, or buy-sell agreements for any closely held business interest
- Miscellaneous assets:
  - Final salary and vacation pay
  - Magazine subscription refunds
  - Notes, mortgages, or other debts owed to decedent
  - Oil, gas, and mineral interests
  - Royalties, patents, and copyrights
- Health insurance:
  - Obtain copies of policies or other evidence of coverage
  - File final claims
  - Change of coverage for surviving spouse
  - Cancel policies as of date of death and obtain refund of premium

- Interests in estates or trusts:
  - Obtain copies of any wills or trusts created by others in which decedent had an interest
  - Collect any final distributions of income and principal
- Fiduciary positions:
  - Ascertain whether decedent was acting as fiduciary
  - Notify surviving fiduciary
  - Collect any final commissions of principal or income
  - Assess need to file account for fiduciary clearance
- Pay \$3,500 family exemption, if applicable
- Assess nature and amounts of debts, including priority under 20 Pa. Cons. Stat. Ann. § 3392 and Federal case law
- Notify the Department of Public Welfare if decedent was over age 55 and received any medical assistance within the 5 year period preceding death
- Cancel credit cards and other accounts
- Consider need for ancillary administration in other states
- Consider need to file death tax returns in other states
- Consider amended declaration of estimated income tax by surviving spouse

## Within Three Months



- Within three months of grant of letters, send notice of beneficial interest in estate to all beneficiaries, including corporate beneficiaries, under O.C. Rule 10.5 and 20 Pa. Cons. Stat. Ann. § 3330
- File certificate of notice under O.C. Rule 10.5
- Payment on account of Pennsylvania inheritance tax within three months of death to obtain 5% discount
- Consider request to district director for permission to distribute or sell tangible personal property in advance of investigation under Treas. Reg. § 20.2031-6(c)
- Consider advisability of disclaimer by any beneficiaries
- Consider whether executors will claim commissions against principal and income
- Project cash requirements in administration and develop plan to raise any additional cash needed
- Consider elements of post-mortem tax plan:
  - Accumulation or distribution of income
  - Use of administration expenses as deductions for either federal estate tax or federal income tax
  - Selection of taxable year
  - Use of medical expenses paid by the estate within one year of death as deductions for either federal estate tax return or federal income tax on the "life period" return
  - Consider election to include accrued U.S. Series E and EE bond interest on "life period" federal return

- Consider various federal estate tax elections:
  - QTIP
  - I.R.C. § 303
  - I.R.C. § 6166
- Consider allocation of GST exemption and possible reverse QTIP election
- Ascertain if decedent inherited property on which federal estate tax was paid within ten years of death for Federal credit for tax on prior transfers

## Within Six Months



- File, or decide not to file, spouse's election to take elective share
- Obtain alternate valuations for federal estate tax

## Within Eight Months



- Consider whether any extensions of time are needed to file death tax returns
- Consider extension of time to pay federal estate tax under I.R.C. §§ 6161, 6166 or 6166A

## Within Nine Months



- File federal estate tax return (IRS Form 706). Consider application to IRS District Director for prompt audit under I.R.C. § 2204
- Provide copy of federal estate tax return to Register of Wills
- File Pennsylvania inheritance tax return
- File inventory, if not already filed
- File any disclaimers by beneficiaries

## Within One Year



- Pay outright legacies to avoid interest under 20 Pa. Cons. Stat. Ann. § 3543(a)

## Within Two Years



- File initial status report under O.C. Rule 10.6 if administration unfinished; and annually thereafter

## Tax Deadlines Unrelated to Date of Death



- File federal and Pennsylvania income tax returns for year before death, if not previously filed
- File federal and Pennsylvania “life period” income tax returns for year of death
- File federal and Pennsylvania fiduciary income tax returns for taxable year as selected (by 15th day of fourth month after end of taxable year)

## Final Steps—Termination



- Review closing letter for federal estate tax return
- Provide copy of federal closing letter to Register of Wills
- Review appraisal of Pennsylvania inheritance tax return
- Consider any final liability for lifetime business privilege tax and, for Philadelphia decedents, school income tax
- Prepare executors’ account
- Consider advisability of formal accounting in Orphans’ Court Division
- If formal account, file account and prepare audit papers:
  - Statement of proposed distribution and petition for adjudication
  - Audit notices to parties-in-interest
  - Notice of charitable gift
- Review court adjudication of account
- Prepare and file schedule of distribution, if directed by court
- Consider filing satisfactions of award
- If no court account, submit account to beneficiaries with approval of account, receipt, release and indemnification agreement
- Consider filing record of risk distribution under 20 Pa. Cons. Stat. Ann. § 3532(c)
- File status report under O.C. Rule 10.6 of completed administration
- File final federal and Pennsylvania fiduciary income tax returns
- Closing statement to bring arithmetic current from account or schedule of distribution
- Cancel fiduciary bond, if applicable