

## ESTATE ADMINISTRATION INFORMATION SHEET



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- I. Background Data: Date: \_\_\_\_\_
- Decedent: \_\_\_\_\_  
Review Death Certificate  
Identify heirs and next of kin - name, address, telephone
- II. Identify and review all Estate Planning documents - Wills, trusts, buy-sells, contracts
- III. List all assets, owners, and beneficiaries (U.S. and International); obtain account statements
- A. Individually owned; joint; trust; contracts; beneficial interests; tort claims; unclaimed property
  - B. Other - review income tax returns
  - C. Valuation; discounts; alternate valuation?
  - D. Secure and protect assets
- IV. Liabilities
- A. Responsible party
  - B. Opportunities to limit liability
- V. Probate - identify assets subject to Probate
- A. Use Probate affidavit up to permitted amount, to heirs or beneficiary under Will
  - B. Small estate up to permitted amount plus funeral expenses, to intestate heirs
  - C. Full Probate
  - D. Automobiles
- VI. Estate Tax - Federal/State/International
- A. Form 706 Estate Tax Return - Due 9 months after death (6 month extension for filing available)
  - B. Estate tax payment - Due date 9 months after death
  - C. Form 8971 is filed to report basis - Due 30 days after Form 706, to be supplemented after asset distributions are made. Beneficiaries must use this basis. Note step up in basis
  - D. Valuation - Date of death or 6 months thereafter if alternate valuation is elected
  - E. Federal exemption - \$11,400,000 (2019)
  - F. Portability Election
  - G. Disclaimer
  - H. Request closing letter?

- (1) Call IRS 6 months after filing estate tax return. 866-699-4083
  - (2) Request online or file Form 4506-T
- I. State and international estate and inheritance tax rules vary greatly

## VII. Income Tax

- A. Final Form 1040 return for the decedent, normal due dates
- B. Form 1041 for trusts and estates - Assign ID numbers, including for subtrusts
- C. Use expenses as income or estate tax deductions? Consider the 65 day rule, prior year election under IRC 663(b)
- D. Make fiscal year election
  - (1) With no estate tax return - 2 years after death
  - (2) With an estate tax return - 6 months after final determination of tax

## VIII. Administration of Trusts/Wills

- A. Personal Representative/Trustee/Co-Trustee?
  - (1) Authority, acceptance
  - (2) Notice to Qualified Trust Beneficiaries, current and contingent (within 63 days; impacts statute of limitations on challenges; include relevant trust provisions)
  - (3) Fees
  - (4) Removal
- B. Publish to limit creditor claims period - later of 4 months after publication or 1 month after actual notice versus 3 years; distinguish known and unknown creditors
- C. Personal property and special gifts. Any memorandum?
- D. Residual distribution provisions
  - (1) Beneficiaries, subtrusts, titling assets
  - (2) Payout standards - standard of living? need? consider other resources?
  - (3) Protect the inheritance?
  - (4) Distribute in-kind or cash?
  - (5) Consider incontestability provisions
- E. Account annually to Distributees and Permissible Distributees - impacts statute of limitations to contest; 1 versus 5 years
- F. Investment strategy? Balance needs of income and remainder beneficiaries
- G. File required tax returns, with needed elections
- H. Partial Distributions
- I. Termination of Trust - Distribution, receipt, release

## IX. Audit and Protection

## X. Tax Elections

- A. Portability - 9 months, Form 706 (6 month extension available)
- B. IRA/Qualified Plan assets - individual or trust?
  - (1) Transfer IRA intact to beneficiaries? New beneficiary designations?
  - (2) Provide IRA custodian a copy of the trust by 10/31 of the year after year of death
  - (3) "Designated Beneficiary" - as of 9/30 of the year after year of death
- C. S Corporation Election (QSST or ESBT) - Form 2553, 2 years for Trust

- D. LLCs / Partnerships - 754 election to increase "inside" basis
- E. QTIP, QDOT, GSkip, Disclaimer, Other

XI. Update Planning for Survivors

- A. Taxes
- B. Estate Plan - documents; funding; control; gifting; probate avoidance
- C. Insurance
- D. Long term care
- E. Explore options available for beneficiaries of retirement accounts

XII. Fees; need for a Retainer

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