

# Estate Settlement Essentials

*Toolkit:  
Timelines and  
Checklists for  
Trustees and  
Executors*

**Investments and Insurance Products Are:**

- Not Insured by the FDIC or Any Federal Government Agency
- Not a Deposit or Other Obligation of, or Guaranteed by, the Bank or Any Bank Affiliate
- Subject to Investment Risks, Including Possible Loss of the Principal Amount Invested

# First Eight Things You Need To Do

*Before diving into the responsibilities of executors and trustees, it's important to tackle the tasks that need to be addressed in the first few days after a loved one passes.*

**Within  
the first  
month**

## People to Notify When Someone Passes

### **Accountant, financial advisor, or tax advisor:**

Discuss personal income tax returns and schedule for estate tax filings; notify IRS of executor or trustee appointment.

### **Life insurance companies:**

Initiate claims processes.

### **The Social Security Administration, Veterans Affairs:**

Ask about applicable pensions and survivor benefits from these or other applicable agencies from which the decedent received benefits.

### **Mortgage lender and estate agencies:**

Obtain decedent's debt information, titling, or property, and ensure appropriate insurance is in place.

### **Utilities and creditors:**

Change name on accounts.

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### **Notify closest family and friends:**

Ask them to start a phone tree to help you notify others.

### **Check on a surviving spouse:**

If needed, contact a professional support agency for assistance.

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### **Consider dependents and pets:**

Make arrangements for their care, as needed.

### **Call decedent's employer:**

Request all benefits information, including details on employer-sponsored life insurance.

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### **Contact the decedent's attorney and estate attorney:**

Determine any special considerations that will require assistance.

### **Notify the decedent's doctor:**

Obtain copies of all pertinent medical records.

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### **Reach out to banks and financial institutions:**

Contact the financial institutions where the decedent had holdings accounts or safe deposit boxes. Research options for any qualified plans, including IRAs, and updating beneficiaries.

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### **Contact the funeral home:**

Request at least 10 copies of the death certificate.

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# The Roles of an Executor and a Trustee

*These two roles have subtle differences. Depending on how an estate was structured, there may be an executor and a trustee, who may or may not be the same person.*

## Executor

- Starts role based on state-specific probate requirements, normally court-appointed
- Reviews provisions of the will, locates heirs, and discusses preliminary probate steps with attorney upon decedent's death
- Must safeguard and marshal the probate assets in the estate
- Manages process of probate court oversight, which may include court permission to sell and distribute real assets
- For court inventory or tax purposes, obtains non-probate asset information, such as assets in trust that are joint/payable on death, and assets with beneficiary designations, like life insurance
- Serves as an executor for life (a probate case may be reopened even after details have been finalized)



## Trustee

- Starts role when appointment is accepted in writing, which may be when the original trustee passes away or resigns
- Must identify, safeguard, and marshal assets titled in the trust's name or payable to the trust (insurance, retirement benefits, estate assets)
- Administers the trust and is responsible to beneficiaries of the trust, normally without court oversight
- Monitors assets for quality and preservation, recognizing near-term distribution requirements. For ongoing trusts, monitors and manages for the benefit of the beneficiaries' needs
- May be required, per document terms, to keep the trust operational for the lifetime of the surviving spouse or one or more beneficiaries

## Similarities

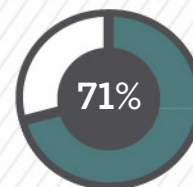
- Typically responsible for disbursing assets to beneficiaries
- Responsible for paying taxes
- Must remain faithful to decedent's wishes



Percentage of affluent households that establish a personal trust



Average percentage of affluent investors' asset mix made up of real estate and privately held business interests



Percentage of affluent investors who say they have taken steps to ensure an orderly transfer of their wealth



# An Executor's Starting Checklist

- Obtain at least 10 copies of the death certificate.
- Contact an attorney to discuss qualifying with the court to be appointed executor.
- Apply for a Tax Identification Number (TIN) for the estate.
- Open an account in the estate's name.
- Consider immediate sources of cash flow needed to cover living expenses for a surviving spouse or dependents, and ongoing household expenses.
- Contact the police to have them periodically check the house if it is now vacant.
- Contact a tax professional to discuss federal and state income tax returns and potential gift and estate tax filings.
- Contact other financial institutions for information on holdings, if any exist.
- Contact banks to find accounts and safe deposit boxes.
- Contact life insurance companies to initiate the claims process.
- Contact the Social Security Administration and other agencies from which the decedent received benefits, such as the U.S. Department of Veterans Affairs, to stop payments and ask about applicable survivor benefits.
- Contact any agency providing pension services to discuss surviving spouse benefits.
- Obtain IRA beneficiary information and discuss minimum distribution and IRA rollover options for the surviving spouse and beneficiaries with a tax professional.
- Obtain information on how real estate is titled and confirm appropriate insurance is in place.

# Estate Settlement Timeline

There is no one-size-fits-all schedule for probating a will. However, after you complete initial tasks, these are generally the responsibilities you'll need to handle before the estate is finalized.

## Months 3–6

- Appraise and value all estate assets as of date of death (also alternative valuation dates if advantageous for estate tax returns).
- Establish and document the tax basis for all assets.
- Review prior income and gift tax returns filed by the decedent.
- File an inventory of assets with the court.\*
- Pay validated creditor claims.
- Raise cash for payment of administrative expenses, estate taxes, and specific bequests.
- Distribute tangible personal property.
- Establish a communication plan that keeps beneficiaries well informed throughout the process.

## Months 7–8

- Amend inventory of estate assets and debts/expenses, if necessary.
- Examine the availability and appropriateness of making available post-mortem tax elections and disclaimers.
- Prepare/review drafts of federal and state death tax returns.
- Pay specific bequests, if applicable and prudent at this time.

## Month 9 and beyond

- Create a reserve fund for taxes and expenses.
- File the decedent's personal income tax returns and pay tax.
- File fiduciary income tax returns for estate/trust and pay tax.
- File federal and state death tax returns and pay tax.
- Obtain death tax and income tax clearances.
- Obtain final approval of court.\*
- Make a final distribution of remaining assets and obtain receipts, as appropriate.

*\*If required by the court*



# A Trustee's Starting Checklist

- Notify trust beneficiaries and document your acceptance of your role as trustee.
- Review the individual's financial statements and prior year's tax returns to identify assets titled in the trust's name.
- Establish a new bank account or have the existing bank account renamed to identify you as trustee.
- Identify a financial advisor who can conduct a portfolio review of all investment assets in the trust.
- Consider consolidating multiple trust accounts for ease of management.
- Determine an appropriate amount of easily accessible money to cover ongoing trust-related fees, taxes, and expenses.
- Create a list of key contacts at financial and other institutions. Provide each with:
  - Copies of the death certificate and your trustee acceptance form
  - The trust's Tax Identification Number (TIN), which you can request from the Internal Revenue Service
- Arrange asset appraisals for estate and income tax purposes.
- Work with the estate attorney and/or tax advisor to file required return(s) and pay taxes due (coordinate with the executor of the estate if one is appointed).

# Trust Settlement Timeline

There is no one-size-fits-all schedule for administering a trust. However, after you complete initial post-mortem tasks, these are generally the responsibilities you'll handle before the trust administration is finalized.

## Months 3–6

- Appraise and value all trust assets as of date of death (also alternate valuation dates if advantageous for estate tax returns).
- Establish and document a tax cost basis for all assets.
- Pay validated creditor claims (if not being done by an executor).
- Generate cash for payment of estate taxes and specific bequests.
- Distribute tangible personal property.
- Establish a communication plan that keeps beneficiaries well informed throughout the process.

## Months 7–8

- Finalize an inventory of trust assets and debts/expenses.
- Examine the availability and appropriateness of making post-mortem tax elections and disclaimers available.
- Prepare/review drafts of federal and state estate tax returns.
- Pay specific bequests, if applicable and prudent at this time.

## Month 9 and beyond

- Create a reserve fund for taxes and expenses.
- File estate and income tax returns and pay tax (if not being done by an executor).
- File fiduciary income tax returns for trust and pay tax.
- File federal and state death tax returns and pay tax (if not being done by an executor).
- Obtain death tax and income tax clearances (if not being done by an executor).
- Make a final distribution of remaining assets and obtain receipts, as appropriate.

# Call on Wells Fargo & Company

<b>If you need assistance settling the estate...</b>	Wells Fargo Estate Services can provide trust and probate settlement services for large estates or trusts including those with complex assets. Services can include estate planning document review; probate and trust administration; asset management; closely held business valuations and management; oil, gas, and mineral rights management; real estate management; and post-death tax planning and preparation. To learn more, contact your advisor or the Estate Services Liaison Team at 855-355-8088 or email <a href="mailto:estateservices@wellsfargo.com">estateservices@wellsfargo.com</a> .
<b>For help with savings, checking, and other bank accounts...</b>	Call Wells Fargo Bank at 800-869-3557 (24 hours a day, 7 days a week). Banking professionals can tell you what steps are necessary to obtain account information.
<b>If you have questions about a brokerage relationship...</b>	A recent account statement from Wells Fargo Advisors may have the name and number of the decedent's financial advisor, or you can call 866-281-7436. Investment professionals will make sure you have a complete inventory of investment accounts and explain your options for liquidating them or updating ownership information.



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This information is designed to provide general information regarding the estate settlement process, but it is not exhaustive. We encourage you to work closely with your tax advisor and estate planning attorney during this difficult time.

Estate plans need to be prepared and reviewed by an attorney who specializes in estate planning and is licensed to practice estate law in your state.

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