# TRUST CHECKLIST

(Death of 1st Spouse)

Mail SS4 to get FEIN number for irrevocable trust FEIN Number or have Attorney or CPA Request

Certification of Trust

\_\_\_\_\_ Affidavit of Death of Trustee or Co-Trustee for real property

Lodge Will withSuperior Court Clerk

Social Security: notify of spouse's death; claim death benefit (~$225+)

Real property: Change of Beneficial Interest to Assessor; Death of Real Property Owner; Parent to Child Exclusion (if applicable)

Accounting of expenses for last illness, funeral and burial (tax deductible)

Prepare claim forms for benefits on life insurance/annuities and retirement benefits. When sending in claim forms request a Form 712 for fed. estate tax return if estate is less than federal estate tax exemption in the year of death.

IRAs. Check options and see financial advisor of place of IRA. If 72 (70 ½ if reached 70 ½ before January 1, 2020) or older should be drawing minimum amount.

Appraisal of entire estate as of date of death. Probate Referee? Certified Appraiser? Or Current Market Value Comparables for Real Estate? Use most recent trust schedule as a starting point; make changes and do a new one.

Appraisal of Real Property Appraisal of Other Assets

Division of Trust if estate is more than $12,920,000 or $25,840,000 for a married couple and AB or Disclaimer Trusts set up. (Have a 9-month window after DOD to do split, and, if needed, to do a 706 return.)

Successor Trustee is Appointed for the trust management.

Notice of irrevocable trust to beneficiaries (no later than 60 days from DOD) per Section 16061.7 of the CA PrC.

Powers of Attorney (GPA and HPA) recommended Update survivor's will.

**CHECKLIST FOR SUCCESSOR TRUSTEE**

Obtain FEIN (SS-4)

Notify Social Security ASAP to stop payment of benefits and any other monthly income (annuities, etc.)

Notice of irrevocable trust to all beneficiaries (no later than 60 days frm DOD) Meet with beneficiaries to discuss settlement of the estate;

Get SSN of each beneficiary (W-9)

New Certification for Successor Trustee

Inventory the current assets of the estate as of date of death: Inventory of Trust assets

Inventory of non-trust assets

Obtain an appraisal of the assets of the estate as of date of death; Appraisal of Real Estate

Appraisal of other assets

File papers with Sonoma County with regarding change of ownership of real estate; Change of Beneficial Interest; Parent/Child Exclusion

Prepare and record with the county a notice of successor trusteeship; Lodge the Last Will and Testament with the Superior Court county clerk;

Transfer any fire and casualty insurance policies to the trustee as the named insured;

Pay debts and liabilities of the estate; prepare accounting of expenses for last illness, funeral and burial (tax deductible)

Prepare and file personal income tax return of the deceased to date of death and fiduciary income tax returns for the estate for each tax year after date of death;

Prepare and file federal estate tax return if required and pay federal estate tax if any;

Distribute personal property, household furnishings, etc to beneficiaries;

Liquidate assets which will not be distributed to beneficiaries in kind and distribute balance of estate to beneficiaries with Receipts of Distribution to be signed by each beneficiary;

Arrange for distribution of any non-trust assets, such as annuities, life insurance, retirement benefits, social security, automobiles, and checking accounts; When filing claim forms request form 712 for fed. estate tax return

Render closing accounting to each beneficiary for their approval and release of trustee.

**Trust Administration Guidelines**

# Differences between will and living trust

The main difference between your Will and your Living Trust is that your Living Trust requires administration during your lifetime while your Will does not require administration until you die. Additionally, your Living Trust, if funded appropriately, is meant to protect and avoid court involvement via a probate estate.

What does administration mean?

During your lifetime, you as Trustee, will be administering your trust assets just as you did before you made your trust, except for one very important difference- and that is, that now all your assets and future assets must be registered to the trust as spelled out in bold print on the first page of your Certification of Trust (binder item #1).

Please do not forget that when you buy or acquire new assets-they must be properly registered or they won't be in the trust and that could result in probate.

How can we be sure we are administering the trust the way we should?

Take advantage of our offer of a free annual check up via our Open House Day offered each year. Bring your title documents and updated schedule of trust assets and any other information regarding your financial and family situation and we can see if everything is in order. It's free (unless there is work we need to do such as make changes to your documents) so why not? This is especially important if you or your spouse become terminally ill or one of you is headed for a nursing home.

**What do we do when one of us dies?**

## When you or your spouse dies, the survivor needs to make an appointment within a month or two after the funeral. At that point you may need to do some tax planning, but in any event, trust administration then takes on the added responsibility of the decedent's estate administration. The check lists that follow in the next section of this binder tell you what needs to be done and what documents you need to gather and bring in for review.

What if I decide to remarry?

Your living trust will make things very easy to plan for bringing your new spouse into the family but it is no substitute for a pre-nuptial agreement. You should definitely alert us to any anticipated change in status, well before it is to occur, so we can set you up with someone to prepare that for you so there are no misunderstandings later on between you and your new spouse or between you and your trust beneficiaries.

How do I prepare my successor trustee for trust administration?

You are welcome to bring the person whom you have appointed successor trustee our annual Open House Day, offered annually, for a brief explanation of his or her responsibilities. When your successor needs to take over trust management he or she will know who and where we are for more detailed advice and representation.