

Disclaimer: This guide is meant to provide general, helpful information to an Executor/Personal Representative of an Estate. It is not intended to be legal advice or a set of hard-and-fast rules. If you have questions or concerns about your specific situation, please consider giving Ferrante and Dill, LLC a call today at (410) 535-6100.

Being chosen as the executor of an estate (otherwise known as a Personal Representative in Maryland) can be both an honor and a challenge, all at the same time. By definition, an executor is delegated with the huge responsibility of ensuring that a person's last wishes are honored. It is therefore critical that a person who has been designated as the executor of an estate fully understands what is required of them following the passing of a loved one. What follows is a general checklist of tasks that will need to be completed in the wake of a loved one's passing. We encourage you to print it out, make notes and changes to suit your specific needs, and, as always, give us a call if you have any questions about what is being asked of you as the executor.

Day 1-3:

- As soon as the person has passed away, any Power of Attorney you may have been using to help pay bills from the person's bank account will be void. Prior to the person's death, were you able to secure a way to access the decedent's money to help pay for funeral expenses and other bills?
- If the person passed away at home, call the funeral home and arrange to have them pick up the deceased and schedule an appointment to meet with them as soon as possible.
- Make sure the funeral home contacts Social Security to stop future checks. Any automatic deposits (stocks, Social Security, etc.) that are deposited after the date of death will have to be returned, and that's not always an easy process.
- Request at least 12 death certificates from the funeral home. Make sure you write down where you can get more copies later if you need them. Death Certificates are very expensive, so you want to get as many as you think you will need the first time. Depending on the estate size and quantity of assets, 12 Death Certificates may not be enough and you might need more.
- If you are the Personal Representative named in the Decedent's Last Will and Testament, then it may be a good idea to quietly and discreetly get the keys to the house and do your best to limit access to other people unless you're present. Experts warn that heirs may become tempted to start distributing the decedent's assets too early and could potentially incorrectly distribute items to the wrong people.
- **The last and most important take-away after a loved one has died is to take care of you and your family first. Make the funeral arrangements, spend time with family, and see to it that all family obligations are met. There is plenty of time to handle the decedent's financial affairs in the next few days.**

Day 4-7:

- After the funeral, cremation, burial, ceremony, etc., is the time to start working through the financial affairs.
- If you haven't already done so, and the Decedent was renting a room somewhere (i.e. at a Nursing Home or Assisted Living Facility), notify the facility of the person's death and arrange to remove the Decedent's personal belongings immediately. They usually give a 3-7 day grace period for this process but keep in mind that the facility is a business and they are losing money by having an unoccupied room. The long-term health care insurance stops paying rent the day the policyholder dies so the estate would then be responsible for any amounts owed after death.
- It's now time to go see your attorney about how to handle the "probate" of your loved one's estate. It's important to get an attorney involved because of the complicated process of estate administration and to ensure you understand the dos and don'ts of how to handle the Decedent's assets.

- From this point forward, let's assume you have been legally appointed as **Personal Representative** of the Estate.
- **At the Register of Wills:**
 - If you have retained an attorney, the attorney will likely do the following steps for you; otherwise, you will be responsible to handle all of the Register of Wills business.
 - Use the Decedent's **full name** at every opportunity; avoid using short names or nicknames. Reason being: you want the estate to be "Estate of ELIZABETH JANE DOE" rather than "Estate of ELIZABETH JANE DOE a.k.a. LIZ JANE DOE a.k.a. LIZA DOE". For these same reasons, be sure to use **your full name** at every opportunity.
 - When they ask how many Letters of Administration (LOA) you'd like, tell them "as many as you'll give me."
 - If it is a small estate, they will give you as many LOA's as you listed assets on the Schedule "B"
 - If it is a regular estate, they will give you 12 LOA's for free. If you need more than 12, it will usually cost \$1 for each LOA.
 - When they ask if you'd like them today, tell them "yes, I'll wait." Also be sure to ask where you can get extra copies in case you need them.
 - If they print out any forms for you to fill out, ask them if they can print out two copies so you can have one for your file.
 - Be sure you understand and note all of the different deadlines you'll have to meet. Very important!
 - They'll ask you to choose a newspaper to print the notices; be aware that the newspaper will be sending you a bill for this service.
 - Be aware that even if the Will says you don't need a bond, you will still have to post what is called a "Nominal Bond"; don't worry, it doesn't cost *too much*. You can acquire a nominal bond from most insurance companies. Just be sure the paperwork they give you at the Register of Wills says "Nominal Bond" at the top otherwise things could get pretty expensive.
 - If there is any real estate in another state, be sure to get a certified copy of the Will before you leave.
 - At the very end ask for copies of everything and for the original certified copy of the Will. Also be sure to get everyone's name and phone number that you worked with that day.

Note: It's possible to file a Will at the Office of the Register of Wills. Only the Testator (the person who created the Will) or someone with explicit written instructions signed by the Testator **and proper identification can withdraw a Will from safekeeping at the Office of the Register of Wills.*

- **What is an EIN/TIN (Employer ID Number or Taxpayer ID Number) and why do I need one and how do I get it?**
 - EIN/TIN are the same number, just two different names and you get them from the IRS.
 - They are basically a new social security number to identify the new estate created. (Employers use the same mechanism to get an EIN when starting a new business, hence "Employer ID number.")
 - The newly-opened Estate will need a taxpayer identification number in order to open a bank account and for filing the taxes for the Estate. The type of number they assign to estates is called an Entity Identification Number but on the IRS website you'll be looking for an "Employee Identification Number" (EIN). Doing this online is pretty quick and painless. Just make sure you choose the option to download your EIN as a PDF rather than waiting to have them mail it to you. This way, you can get started on all the bank stuff right away.
 - Save and print all of your confirmations and directions given to you by the website, just in case.

**A note about the funeral services: Remember that if you only had a Power of Attorney on the Decedent's bank account it expired once the person died and you no longer have access to their accounts. Another way to pay for*

the funeral is the assignment or partial assignment of life insurance proceeds. If all you have is a (now expired) Power of Attorney, you may use funds from your own bank account to pay for the funeral and then you can get reimbursed from the estate, so long as there is money in the estate to reimburse you.

Days 7 thru 14:

- At some point in the next few days, make your way to the Post Office and fill out a Change of Address form.
 - *Note: it is possible to complete a change of address request online, but it is slightly more complicated. If you have the time, try to do this task in person.*
- Try to figure out if and from where the Decedent might be receiving pension checks and ask them to stop payment immediately. You'll have to return each payment that was made after the date of death so the sooner you do this, the better. **Make note of what the different places are because you'll need to send each company a death certificate.**
 - *Note: You can call these places and notify them about the death even before you have the certificate, just be aware that they will likely ask for a copy of the certificate once you have it. Be sure to ask if they'll require an original or if a photocopy will suffice.*
- Cancel things like the cable and internet but you'll likely need to keep the utilities on if the deceased lived in a house or condo because the estate is responsible for the upkeep until the property is sold.
- **Deciding on a Bank for the Estate Checking Account**
 - Gather all necessary paperwork to the Decedent's bank account- statements, checkbooks, checks, etc.
 - Notify the Decedent's bank that they have passed. Unless you are a co-owner of the account, the bank will put a freeze on the account **immediately**. Access will be restored once the Estate account is set up. Keep in mind that they will still honor checks written prior to the death, but otherwise it is frozen.
 - If you're also the co-owner of the safe deposit box, try to get access to it immediately so you can begin clearing it out. If you're not the co-owner, you'll have to jump through a few hoops to gain access as the Personal Representative. It's doable, especially since the Will might be stored in there, but just be warned it might be painful. **Helpful Tip: Do not put a Will in a safe deposit box. Record it with the Register of Wills in the county where you reside. Accessing a safe deposit box after death will require a court order and an escort from the Register of Wills.**
 - You'll need to decide where to open the Estate account: at the Decedent's current bank or elsewhere (perhaps your bank). There are a few things to consider before making your decision:
 - Short term advantage: remember that you're essentially closing an account **and** opening a new one all in one fell swoop and in order to do both you'll need to present a Death Certificate, Letters of Administration (you'll get these at the Register of Wills when the estate is opened), and the new Tax ID number for the estate. If you use the same bank as the Decedent, you can accomplish both steps in just one trip to the bank and you only have to produce one set of paperwork. You may also be able to open the new account with a check written against the old one- something you probably wouldn't be able to do at a different bank.
 - Long term disadvantage: Consider things like customer service (are they nice, easy to work with, trustworthy?) and distance to the current bank (like, is it 100 miles away?). If these things don't add up, it may be worthwhile to just open the estate account at a bank of your choosing.

- Other things to consider are whether either bank will notarize documents for free. Or stamp stock transfer documents with Medallion Guarantee stamps? That could be an expensive deal-breaker.
 - If all things are equal and you really don't have a preference, we would suggest just using the Decedent's current bank as it is easier in the short term to get everything set up.
- **Same Day Trip to the Original Bank (Optional)**
 - If you're trying to accomplish all this in one day, your next step is to stop by the original bank while you have your Letters of Administration, Death Certificates and EIN in hand.
 - This is the time to try and get into the safety deposit box as well since you have your Letters of Administration with you.
 - While there, be sure to ask for details on *every account* that is held in the Decedent's name and whether or not the account is held individually or jointly. They won't tell you this information unless you explicitly ask for it, and they won't give you any information about the accounts unless you have your Letters of Administration. Write down the date, balances and account numbers.
- **Same Day: Open Estate Checking Account (Optional)**
 - If you didn't open the estate checking account at the original bank, you'll need to make your way to the new bank. Now's the time, since you just left the Register of the Wills, you have all the necessary paperwork and you've closed out the old account at the original bank.
 - If you're opening the estate account at the original bank, you should be able to write a check from the old account and deposit it into the new account. Otherwise, you'll have to use cash or your own funds.
 - With the estate account, **DO NOT get an ATM Card.** ATM and cash transactions are not allowed during estate administration. As the Personal Representative, you are **required to account for all expenditures.** Payment should be made by check in nearly all instances.
 - They should provide you with starter checks and the option to order a checkbook. Be sure to write down the date the account was opened, the initial deposit amount and where the deposit came from (check, personal account, etc.) in the new checkbook.

Note: if you're hoping to accomplish all of this in one day, this might be what your day will look like: 1) decide which bank you'll use to open the Estate checking account; 2) visit the Register of Wills and obtain your Letters of Administration; 3) get somewhere with internet access (Wi-Fi at Starbucks is free, grab a latte while you're there because you've still got quite a day ahead of you) and go to www.irs.gov where you will need to create an **Employee Identification Number for the newly-opened Estate; 4) head to the old bank to close the Decedent's account(s); 5) head to the new bank (or stay put if you're using the same bank) to open the Estate checking account. This may seem like basic stuff to some but to others it can feel overwhelming.*

- **Appraisals and Valuations**
 - Valuations must be established for every asset the Decedent owned **as of the date of death.**
 - Valuations are established by either having property appraised or using an assessed value.
 - Valuations are also important because when a person dies, the heirs or beneficiaries may get a "step up" in the tax basis on the property, thereby minimizing capital gains tax imposed on the sale/transfer of certain property.
- **Real Estate Considerations**
 - You have two options when it comes to real estate valuations:
 - Getting a formal date of death appraisal (this may be required if there is an estate tax due); or

- Using the Tax Assessed Value as established by the State Department of Assessments and Taxation – this is the value that your property taxes are based off.
 - If the Decedent owns property in another state, call an attorney in that location. You'll need their help with setting up an ancillary Estate, appraisals, paperwork, and eventually transferring the property to the people named in the Will. If the heirs decide to sell the property, you'll need the lawyer's help with that, too.
- **Stocks**
 - Do what you can to handle the transfer of ownership of individually-owned stocks *before* the person dies. Otherwise, this process can become quite difficult and messy. And there is **a lot** of paperwork involved.
 - This is done by adding beneficiary designations to your stock accounts – i.e., TOD (Transfer on Death designations which are akin to POD or Pay on Death designations for bank accounts).
 - If, despite your best efforts, you find a handful of individually-owned stocks after the person has died, then you'll need the help of a Transfer Agent to help you get the necessary forms and instructions for completing the transfers.
 - Step One: identifying and replacing any lost stock certificates. You cannot proceed with the transfer process if you don't have the certificates.
 - Step Two: transfer ownership from the Decedent to the Estate of the Decedent.
 - Step Three: get the stocks out of being individually-owned. Either transfer them from the Estate of the Decedent to the stock broker (this will mean a trip to the bank/stock broker) or liquidate the stocks and have them send you a check.
 - Be thorough in your research. Look through a few years' worth of taxes (you're looking for 1099's), bank statements and/or credit union statements (you're looking for automatically-deposited dividends).
 - As with the bank, be sure to ask the Transfer Agent if there are any additional holdings other than what you're already aware of. To be doubly sure, in addition to your verbal request we suggest following up with a written request for this information.
 - Try to gain online access to the Decedents account through the Transfer Agent. This way you can verify all holdings on the Decedent's behalf.
 - ***The easiest way to handle this is to get a financial advisor involved because they have the ability to get stock certificates reissued much quicker than a lay person.***

Overview: What needs to be done in the first two weeks after the death of a loved one:

The following should be handled during or by the end of the first week following the death of a loved one:

1. Pension/Retirement Plans
2. Bank/Investments (remove name from joint accounts or close accounts)
3. Open an Estate account
4. CDs and IRAs
5. Credit card accounts
6. Life insurance or Decedent (death claim filing)
7. Life insurance on others if the Decedent was a beneficiary (you'll need to change the beneficiary)
8. Auto Insurance
9. Health Insurance
10. Regarding the Estate: Register of Wills, Lawyer, Financial advisor

11. Utilities (phone, electric, gas, cable, etc.)
12. Post Office (change address)

1 Month Checklist

The following should be handled within the first month following a loved one's passing:

1. Cancellation of subscriptions
2. College and University alumni files
3. Motor Vehicle Administration (cancel driver's license, vehicle/boat title change)
4. Financial reallocation
5. Mailing of thank you cards
6. Social Security surviving spouse benefits

When to Close the Estate

- There are Court rules that require the Estate to stay open a minimum period of time without exceeding a maximum. There is some flexibility in the definition of "minimum" and "maximum".
- You will likely need help in completing the Register of Wills filings, including inventories, accounts, and other filings.
- Tip: Maryland will let you skip filing a Form 504 Income Tax Return **only if** you open and close the Estate in the same calendar year. There may be other factors at play depending on your situation, but it's something worth looking into!