



TRUST ADMINISTRATION

It can be overwhelming to consider all the items that need attention upon the death of a loved one. Simply getting started may even seem like a monumental task. FM Financial has put together the following information with the hope it will enable you to begin taking the steps needed following the death of a loved one. It is not an exhaustive checklist, but we trust it will put you on the right path toward settling the estate.

DOCUMENTS AND INITIAL STEPS

- It is highly recommended you consult with an attorney to ensure you follow your state's specific requirements for proper trust administration; doing so can help avoid costly errors and mistakes
- Locate the original trust agreement and any amendments
- Identify the person named as successor trustee in the trust (this is the person who should be responsible for completing the items on this list)
- Read through the distribution language
- Gather other important documents (e.g. birth certificate, tax returns, account statements, etc.)
- Obtain a copy of the deceased's death certificate
- Apply for an Employer's Identification Number (EIN) for the trust; this can be accomplished online

ADDRESS

- Process an address change with the post office to direct all mail to the proper person
- Contact utilities, phone, etc. to change the mailing address or to cancel service, if appropriate
- Notify service organizations, ministries, alumni associations, etc. of decedent's death

ASSETS

- Contact the deceased's financial adviser (if any) for valuable information and assistance
- Make an inventory of the assets owned by the trust or that name the trust as a beneficiary (securities, bank accounts, property, etc.)
- If assets are found outside of the trust (in the decedent's individual name without a surviving joint owner or a beneficiary), consult with the personal representative named in the decedent's will - these assets may need to be probated
- Secure any real property and consider changing locks if appropriate
- Establish a bank account in the name of the trust to gather assets

*** The information contained herein is intended for informational purposes only and is not to be construed as legal, tax, accounting, insurance, or financial advice.**



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EXPENSES / DEBTS

- Pay final bills as they arrive
- List any other known outstanding debts
- If required, publish a notice to creditors in a newspaper where the deceased lived and wait the required amount of time for any response

ACCOUNTING

- Keep a detailed list of all assets received, as well as all expenses/debts paid
- Send an accounting to all beneficiaries at least annually throughout trust administration
- Send a final accounting to all beneficiaries prior to distribution

TAXES

- It is highly recommended you consult with a tax professional to determine and file all the required tax returns; if the professional previously filed the deceased's taxes, their knowledge and history will be especially valuable
- File the decedent's final federal and state personal income tax return
- If required, file a federal and state trust income tax return
- Pay state required inheritance tax (not applicable in all states)
- Pay federal estate tax (if the estate is large enough)

DISTRIBUTION

- Liquidate assets as needed for distribution; some may be distributed without liquidation
- Distribute all remaining assets (after all debts and trust administration costs have been accounted for) as directed by the trust to the appropriate beneficiaries
- Distribution can happen in stages, if needed

FM Financial can serve as a resource as you navigate the trust administration process. It would be our privilege to answer questions and point you in the right direction along the way. Contact us at (800) 325-8975 or info@fmfinancial.org and request to speak with an estate process administrator.