

Form Prepared By:

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CHECKLIST OF ITEMS FOR CONSIDERATION

PERSONAL REPRESENTATIVE & SUCCESSOR TRUSTEE

Name of Decedent: _____

Date of Death: ____ - ____ - ____ Domicile: State ____ County _____

Initial Conference with Estate Representative:

Name(s) of Persons Present: _____

Date of Initial Conference: ____ - ____ - ____

Office Personnel Involved in Conference: _____

NOTE: Check with attorney if there is any question regarding procedures or location/existence of any documents and if you have any questions before you conclude initial conference.

DISCLAIMER The following list is designed and distributed simply as a guide to assist you with the identification of various issues involving the administration of a decedent's estate. There may be certain technical legal or tax issues which may be omitted from this form and other issues noted herein which need to be investigated, discussed and researched. In addition, there may be recent tax or law changes which may have occurred effecting the information contained herein. No legal opinion is being rendered unless made by a formal letter from this office. The user is responsible for knowing the legal consequences of his or her acts and the current status of the law.

FINAL ARRANGEMENTS - FUNERAL OR CREMATION

____ Locate Final Instructions and Follow Arrangements. Our office furnishes this form, but does not require that it be filled out. FYI, there may be a problem with your loved one's cremation if any of the immediate family do not consent.

DEATH CERTIFICATES The Successor Trustee/Personal Representative will need to assume administration of the living trust or estate. To prove or establish authority to your right to handle the estate affairs, you will need to have an original death certificate

- ____ Death Certificates are normally handled by the funeral home
- ____ Be sure to have available "personal information" which is required for death certificate. Be sure to verify all information before mailing.
- ____ Determine the number to order based upon number of assets with titles to be changed plus five extra. Review Inventory of Assets or Personal files.

___ Original for Atty to record to update "Chain of Title" for Real Property, if any. Form 74 or Form 706 procedure.

___ In many instances, you will need to furnish proof of death immediately. So, make arrangement with the funeral director to furnish a copy of the application for death certificate and get an original signature on your copy and attach a business card of the manager who can be called to assist with furnishing proof of death prior to the issuance of the original death certificates from the state. Be sure to arrange that this person or his assistant will be available by phone or by an affidavit to verify death until the death certificates arrive.

___ Look for a self prepared Obituary. Otherwise, be sure to have personal information available for the funeral director. If not prepared by funeral home, prepare and deliver notice to newspaper (include date, time and place of funeral) along with any request for memorials.

___ Determine if a Memorial is to be suggested in lieu of flowers.

___ If a Veteran, take Military papers to funeral home. Social Security Administration will provide \$\$ towards funeral expense, headstone marker and an American Flag, if desired.

___ Notify out-of-town relatives, friends & business associates.

___ Neighbors	___ Home Town Newspaper
___ Friends	___ _____
___ Business	___ _____
___ Church	___ _____

PHYSICAL STEPS TO SECURE CONTROL OF ASSETS The personal representative / successor trustee is responsible for identification and safe keeping

___ Take physical control of all estate planning documents

___ Take physical control of all assets & personal property items, including residence, vehicles, boats, RVs, Trailers, any storage lockers, sheds, etc. You should strongly consider changing personal locks unless you are sure who has a key. This is necessary to protect personal assets

___ Locate your original Birth Certificate(s), Marriage License, Social Security Card(s) and spouse's / parent's / children Death Certificates. Make a copy of each and place in Tab 3. Be sure to note on your Schedule of Assets - "A" where the originals are located.

___ Vehicles left unattended are theft risk

___ Advise post office or arrange with neighbor, etc. to pick up mail or change where to send mail

___ Advise newspaper to stop delivery or arrange with neighbor, etc. to pick up or change where to send

___ Arrange to have someone check residence daily - make it look "lived in" - move vehicles, cut grass, rake yard, etc.

___ Notify out-of-town relatives, friends & business associates.

___ Neighbors

___ Home Town Newspaper

___ Friends

___ Church

___ Business

___ _____

SAFE DEPOSIT BOX Control & Safe Guarding Assets - Act Quickly

___ Determine if decedent has a safe deposit box - if so where -

Name of bank _____

Location _____

Box # _____

Phone # _____ - _____ - _____

Bank Hours _____ - _____

Name of Bank Employee to Contact _____

Individual(s) with key(s) _____

Individuals authorized to open box _____

If you are not sure, look at the Schedule of Assets information sheet.

___ If you tell bank about the death, expect to have them inventory it and "freeze" access until an estate tax waiver is received from the State of Arizona. Even if the bank puts a "freeze" on access, the personal representative/successor trustee normally will be allowed to remove the original will and/or trust if you can furnish proof of death and have some form of identification. Our office can assist and maybe get the original if you encounter any problems.

___ When you open the safe deposit box, you should consider having some else with you as a witness. Be sure to complete an inventory. You normally will want to take all of the contents with you to avoid having access to the contents "frozen" on a future visit.

___ Locate key to safe deposit box. Determine Number _____ and who has access _____

___ If box is "sealed" by the bank, be present during entire inventory. Get a complete copy of inventory, get each witness' complete name and have them initial your copy of the listing of contents. The bank will use a special form which is sent to the AZ Dept of Revenue to get clearance for release and access. This process may take up to 4-5 weeks and is repeated by our office if Form 74 is needed - see below

___ Determine if you want someone with you as a witness to inventory box or take possession after release by bank - this is a safer choice - better not to have bank employee - re: freezing access issue

___ Remove important documents and valuables to a safe location

LOCATION OF ORIGINAL DOCUMENTS & ASSET INFORMATION

- ___ Locate copies of DOCUMENTS PREPARED BY OUR OFFICE, such as wills, living trusts and any amendments/codicils. FYI, our office should have a copy if we prepared them.
- ___ Locate original Birth Certificate(s), Marriage License, Social Security Card(s) and spouse's / parent's / children's Death Certificates. You should look in Tab 3 of a living trust binder. The location of these originals should be sure noted on the Sch of Assets.
- ___ Locate all original estate planning documents - usually safe deposit box, sometimes living trust binder, etc
- ___ If you are uncertain that you have found the last originals, Check with attorney for verification of correct instruments. The attorney normally should have a copy of the will and/or trust. In any event, if you are still uncertain, you may have to contact other family members, other prior attorneys, financial planners, bank or trust company, etc - maybe even get a written statement from other beneficiaries. You have a legal duty to make a "diligent" effort to determine the existence of all original documents.
- ___ Locate Handwritten List of Tangible Personal Property, which controls distribution to heirs or friends. Should be with original will or living trust. Check with attorney if there is any question, since a copy should have been delivered to attorney's office. Also see below
- ___ Deliver copies or originals to attorney's office
 - ___ Living Trust ___ Amendments
 - ___ Last Will & Testament ___ Codicils
 - ___ Hand Written Distribution List of Personal Property Items
 - ___ Prenuptial Agreement
- ___ Specific Requirements ___ Survival Period ___ Minimum Age ___ Marriage ___ Husband & Wife living arrangements
- ___ Beneficiaries are legally entitled to receive a copy of estate documents, including living trust, will, hand written list - consult with attorney on timing of release
- ___ Beneficiaries are also legally entitled to an "accounting", which is normally sent with a copy of the documents

POWERS OF ATTORNEY AND LIVING WILLS

- ___ Powers of Attorney & Living Wills become null and void upon death, including the ability to sign checks if not an owner on accounts.

SOCIAL SECURITY ADMINISTRATION ("SSA")

- ___ Phone Social Security re discontinuing Old Age Benefits
- ___ Mesa Office: (480) 649-0002, 1801 S. Extension, Mesa, AZ 85210 (1 block north of Baseline) Hours: 9-4 M-F. or 1-800-772-1213
- ___ Ask about Social Security Death Benefits \$ 255.00 towards funeral expense, headstone marker and an American Flag, if a Veteran and if

desired. SSA will set up appointment for personal or phone interview. They need the copy of DEATH CERTIFICATE stamped: **"FOR GOVERNMENT USE ONLY"**

_____ If deceased spouse's social security benefits (monthly payments) were more than the those of the surviving spouse, contact SSA to have the amount increased. There are some limitations depending on the length of marriage, etc.

_____ Benefit Checks are mailed around the 1st of each month and a recipient must be alive on the 1st in order to keep his or her check. If not, any such excess benefits must be returned to the SSA. Normally, the SSA will just have the bank debit your account to withdraw any such excess payment. Watch out if you do send a check to the SSA to repay them that you don't get "double dipped".

BANKING MATTERS

_____ Determine ownership status of checking account - __ Trustee of Living Trust; _____ Joint Owners _____; _____ Sole Owner - with Payable on Death Designation;

_____ It is usually OK to continue to deposit money to existing accounts. Remember to endorse "For deposit Only". In the same manner, you may consider using the account to pay bills after consulting with your attorney. A new "estate" tax identification number may be needed.

_____ Be careful about Safe Deposit Box Issue - refer to above

_____ An original death certificate is usually necessary to gain control of any financial account.

LISTING OF ASSETS - FORM OF OWNERSHIP This will determine if you will need a "probate" or affidavit of collection proceedings to collect, sell and transfer title to beneficiaries

_____ Determine ownership or how assets were titled, i.e. in the name of the Trust, joint, sole, etc. Assets not in name of trust joint or with beneficiary designation will need to be probated or collected by affidavit procedure. To determine title, examine title instruments, signature cards, deeds, notes, insurance policy beneficiary designations and business agreements, etc.

_____ Indicate percentage ownership, if less than 100%.

_____ If the decedent has a living trust, locate the estate binder and find the Schedule "A", which includes asset and personal information. This is a form furnished by our office

_____ If the decedent does not have a living trust, but has a will prepared by our office, locate the estate file and find the Schedule "A", which includes asset and personal information. This is a form furnished by our office

_____ If the decedent does not have a living trust or will prepared by our office, locate and bring in original estate planning documents

_____ If you can not find a listing of assets, you must prepare comprehensive list of assets showing ownership and values. Our office form Schedule "A" is available to your use

_____ A detailed listing of Personal Assets is a good idea, but may not be necessary for all estates. Refer to Handwritten List information below

_____ Arrange for Probate or Collection by Affidavit, as necessary.

HAND WRITTEN LIST - DISTRIBUTION OF PERSONAL PROPERTY ITEMS

_____ Be careful that other persons do not come into the home and take personal property items - even if they say they were told by the decedent to take them. The formal written list controls

_____ Search for such list. Check with attorney's office

_____ Require a written receipt for any items taken

_____ If you anticipate a problem with beneficiaries, better to make a detailed list which can be used by an appraiser to help determine value. Consider having a witness assist you and initial form

_____ Often, assets identified on such list have already been distributed. This issue may cause problems when the list is made available to other beneficiaries

LISTING OF DEBTS & LIABILITIES

_____ If you can not find a listing of debts, you must prepare comprehensive list of debts and liabilities. To terminate claims against decedent's estate, direct notice must be given to all known creditors and statutory publication for unknown creditors. List all debts, liens or encumbrance - showing amounts & name of lien holder(s).

_____ All debts may not be immediately known - watch for statements. If you receive a billing statement ("notice") or you "know" about a debt, the estate is liable for payment

_____ To eliminate the risk of being liable for unknown debts, you may publish a "Notice to Creditors" for a four month period ____ You may choose to instruct our office to perform this step

NOTIFICATION REQUIREMENTS - COLLECT ASSETS

_____ Contact companies and request beneficiary claim forms for Life Insurance, Annuities and Pensions.

_____ Notify Employer's Personnel Dept. and file claim for unpaid wages, sick or vacation time & other death benefits.

_____ Advise Social Security to either stop payments or to convert payments to surviving spouse benefits. If directly deposited to bank, notify bank of death, but after accessing safe deposit box

- ___ Notify financial advisors and/or insurance/annuity agents for assistance in collecting assets.
- ___ Review business agreements for action, disposition and benefits.
- ___ Review credit cards - determine if they should be changed or canceled.
- ___ Notify pension administrator to stop payments or adjust for surviving spouse

INSURANCE COVERAGE - RISK PREVENTION

- ___ Check with insurance agents on coverage status, such as pending cancellation for nonpayment, etc. and limitations ___ unoccupied residence and ___ driving vehicles and ___ other matters
- ___ Notify utility companies re: pending "cutoff" of services and where to send future or last bill.
- ___ Notify landlord, homeowner assoc, park manager, as applicable re: pending "cutoff" of services and unpaid dues, assessments, rent, etc.

UPDATED FINANCIAL INFORMATION - DATE OF DEATH VALUES

- ___ You must obtain valuations on date of death
- ___ Determine "Fair Market or Current Value" on date of death. Obtain written valuations of real estate assets, securities (stock market quotations) - at date of death, and six (6) months later (alternative valuation date) to determine best valuation to use for tax purposes
- ___ Contact brokers, real estate, etc. - get figures in writing
- ___ Be sure to adjust for less than 100% percentage ownership

REAL PROPERTY - NEED FOR ESTATE TAX WAIVER

- ___ Determine if the estate is subject to Federal Estate Tax, since forms need to be filed and taxes paid. If not, then arrange to prepare and file a Report 74 with the Arizona Department of Revenue to obtain an Estate Tax Waiver, if there is real property in the estate.

ESTATE - TAX CONSIDERATIONS

I. INCOME TAX

- ___ Death of Spouse ___ change the tax identification number on Trust assets by substituting surviving spouse's social security number
- ___ Obtain new IRS Employee Identification Number for Trust - use IRS Form 2848 and SS-4.
- ___ Contact Financial Institutions - "Cut Off" of Decedent's SSN and Change to Estate "Taxpayer" Fed ID #
- ___ Explain Income Tax Reporting "Cut Off" of Filing IRS Form 1040 and Estate IRS Form 1041 - use of K-1s to allocate estate income and expenses to beneficiaries -
- ___ Estate Fiscal Yr - Date of Death ___ - ___ to ___ - ___ (12 mos)
- ___ "Step Up" in income tax basis to Date of Death Valuation - Gain on

- _____ sale of estate assets calculated with new tax cost basis
- _____ Exception for "Tax Exempt" Assets - NO STEP UP - Fully Taxable to Beneficiary Upon Distribution - Remember to discount for taxes when distribution made
- _____ Person to Prepare final 1040 _____
- _____ Person to Prepare 1041 _____

II. ESTATE / GIFT TAX

- _____ Estate Valuation as of Date of Death or "Alternate Valuation" Date - six months later
- _____ Appraisals necessary for real property - but usually sold before estate tax return is due
- _____ Deductions for _____ Transfers to Spouse, _____ Charitable Gifts and Estate Administration Expenses
- _____ Have any Gift Tax Returns been filed? _____ If so, obtain copies.
- _____ Taxable gifts in year of death? _____ Preceding year- return due?
- _____ IRS Form necessary? _____

III. INHERITANCE TAX

- _____ Look to Beneficiary's home state - Arizona has NO Inheritance Tax

ADMINISTRATION EXPENSES

- _____ Keep an accurate record of all expenses, including last illness, funeral/cremation costs, etc. for income tax purposes and to get reimbursed if you use for personal money to pay any estate bills. Our office has available a FORM for your use
- _____ Look to estate instruments on authority to pay your expenses and any limitations or restrictions

BENEFICIARY INFORMATION

- _____ List names, addresses and phone numbers of all beneficiaries
- _____ Determine if you anticipate any persons contesting the estate - our documents may have a "non-contest" provision

DISTRIBUTION ISSUES

- _____ Determine if there are any specific assets to be distributed, in addition to personal property items, per above
- _____ Determine if you are required to or desire to give beneficiaries any choices on form of distribution of estate assets
- _____ It usually works out well, if after you determine and reserve for any remaining debts, you make a partial distribution after the minimum survival period has expired. You can use this time to mail a copy of estate instruments and an initial accounting. Be sure to get receipts for all instruments, accounting and assets sent
- _____ If assets are to be distributed or retained in Trust for heirs: Determine which assets, especially tax exempt or tax deferred accounts and real estate, should be distributed, sold, or converted to income. (Determine debts outstanding to be paid prior to distribution of estate. Most estate documents normally instruct not to pay off any

long term debt in full, but to keep paying the normal installments.)

_____ Identify if the estate is to be partitioned, whereby a percentage or certain assets are to be placed in a separate subtrust

_____ Determine if any assets are subject to a life estate

CONTINUED INVESTMENT - RETAINED ASSETS

_____ Review investments to see if they meet objectives of income, growth and security. Determine if some assets should be reinvested to provide adequate income as well as appropriate growth for hedge against inflation. Review assets at least annually to determine if assets should be reinvested for best growth/income and if assets should be sold, etc.

_____ If any part, or all, of the Trust becomes irrevocable, and assets are retained therein, file form 1041 Trust tax return annually for the irrevocable part of the Trust. If a spouse survives, continue to maintain income tax records - you will usually file a joint return in the year of the loss of spouse.

SPECIAL NOTES Make a list of questions.