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Steps to Take When Handling a Loved One’s Estate

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Grieving the loss of a loved one is never easy.

Grieving the loss of a loved one while managing the associated legal and financial tasks it brings can feel overwhelming.

From initial logistics to settling the estate, there are critical steps to take in the days, weeks, and months that follow.

Although handling these necessary tasks after a loss can feel daunting, these steps are designed to help you create a clear plan for moving forward. Taking each step at your own pace and seeking assistance when needed can gradually restore a sense of order during this difficult time.

We hope this guide serves as a helpful resource as you navigate the months ahead.

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Immediate Steps

Inform Close Family and Friends:
Reach out to close family members and friends to inform them of the passing. This can be an emotional task, so take your time and delegate responsibilities to others if needed.

Plan the Funeral or Memorial Service:
The funeral home will guide you through the process of planning the funeral or memorial service.

Notify Relevant Organizations:
Alert your loved ones' place of work and any organizations where they may have volunteered.

Locate Important Documents:
Find a copy of your loved one's Will or Living Trust, along with any documentation that indicates funeral instructions and points of contact. Look for other relevant documentation such as other estate planning documents, titles, and deeds.

File the Will with Probate Court:
By law, most states require that you deposit the original Will with the probate court in the county where the person lived within 30 days of it coming into your possession. If there is no Will, contact the probate court or a probate attorney for guidance and assistance.

Handle Out-of-State Real Estate:
If your loved one had real estate in another state, you might need to file ancillary probate in that state.

Open an Estate Bank Account:
If necessary, the estate executor should open a bank account to manage your loved one's financial matters while the estate is being administered.

Obtain Death Certificates:
The funeral director will also help you obtain the death certificate. Obtain 10-15 certified copies, as you will need them when applying for benefits and settling the estate.

Locate Marriage Certificate:
Find the marriage certificate, which may be needed to apply for benefits.

Understand Tax Implications:
Do not sign any beneficiary claim forms until you fully understand the tax ramifications.

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The First 3 Months

Seek Grief Support:
Reach out to family, friends, or a therapist for grief support if needed. Support groups and counseling can provide comfort during this difficult time.

Consult a Financial Adviser:
If you have a financial adviser, discuss the next steps and schedule regular meetings (quarterly, semi-annually, or annually) to help you adjust to your new normal and coordinate appropriate actions.

Consult Your Estate Attorney:
Reach out to your estate attorney to review and explain your loved one's will, trust, and other estate planning documents.

Report the Death to Social Security:
Notify Social Security of your loved one's passing and return any checks or deposits as soon as possible. Surviving spouses and other family members may be eligible for new benefits. You can call their toll-free number at 1-800-772-1213 or visit www.ssa.gov for more information.

Inform Medicare and Cancel Insurance Plans:
If your loved one received Medicare, Social Security would inform the program of the death. For Medicare Prescription Drug Coverage (Part D), Medicare Advantage plans, or Medigap policies, contact the respective plans using the phone numbers on each membership card to cancel the insurance.

Notify Employer for Health Insurance:
If your loved one had health insurance through their employer, notify the company to end coverage for the deceased. Ensure that any dependents are moved to your health insurance provider.

Safeguard Assets:
Compile a list of your loved one's assets and implement safeguards to protect any property that could be targeted by creditors. Beneficiaries may gain access to accounts or benefits by completing the appropriate forms and providing a copy of the death certificate.

Manage Important Bills:
Create a list of important bills and share it with the executor or estate administrator to ensure prompt payment. Continue making mortgage and insurance payments while the estate is being settled.

File Insurance Claims:
Locate any insurance policies, such as group life, mortgage, accidental death and dismemberment, credit card, or annuities. Contact all insurance companies to file claims.

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Update Beneficiary Designations:
Change any beneficiary designations that listed the deceased as a beneficiary for IRA, life insurance policies, pension plans, 401(k) plans, and other investment or retirement plans.

Contact Previous Employers
Reach out to previous employers regarding any of your loved one's plans, 401(k) plans, and other benefits. Notify IRA custodians or trustees, review designated beneficiaries, and explore post-death distribution options. If necessary, update registrations.

Access Safe Deposit Box:
If applicable, contact the bank to access a safe deposit box. If a key isn't available, the executor may need a court order to open and inventory the box.

Close Credit Card Accounts:
Close all your loved one's credit card accounts. Call the customer service number on the credit card, monthly statement, or issuer's website. Inform the agent that you wish to close the account of a deceased relative and submit a copy of the death certificate. Once the company receives the certificate, it will close the account as of the date of death. Confirm if the agent can waive interest or fees after the date of death. Keep records of the accounts you close and notify the executor of the estate about outstanding debts.

Notify Credit Reporting Agencies:
Provide copies of the death certificate to the three major credit reporting agencies (Equifax, Experian, and TransUnion) to minimize the risk of identity theft. Check your loved one's credit history four to six weeks later to ensure no fraudulent accounts have been opened.

Cancel Driver's License:
Contact the department of motor vehicles to cancel your loved one's driver's license and remove their name from records to prevent identity theft. Contact the state department of motor vehicles for exact instructions. You will need a copy of the death certificate.

Retitle Jointly Held Assets:
Retitle jointly held assets, such as bank accounts, cars, stocks, bonds, and real estate, to the appropriate owner.

Address Jointly Owned Business:
If your loved one had a jointly owned business, consult with the other partners about the existence of a buy-sell agreement.

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Forward Mail and Notify Post Office:
In addition to forwarding mail, notify the post office, which can inform you about subscriptions, creditors, and other accounts that need to be canceled. Incoming mail will be valuable in tracking down overlooked accounts.

Reach Out to Organizations:
Contact fraternities/sororities, professional organizations, and other groups the deceased belonged to and inquire about handling their membership status.

Register with the Direct Marketing Association:

Contact the Direct Marketing Association (DMA) to register the decedent's name on the Deceased Do Not Contact List, removing them from commercial marketing lists.

Notify Social Media Platforms:
Inform social media platforms (Facebook, Instagram, Twitter) of the death and decide whether to memorialize or delete the accounts.

Manage Digital Assets:
Consider managing or transferring any digital assets, such as photos, music, documents, or online subscriptions (e.g., flyer miles, Netflix, Amazon).

Within 3-6 Months

Prepare and File Tax Returns:
If applicable, ensure that all necessary tax returns are prepared and filed. You can file a joint return in the year of your spouse's passing and file as a surviving spouse for up to two years after the year of death.

File Estate Tax Returns:
A federal estate tax return may need to be filed within nine months of the death. State laws vary, so state estate tax and/or inheritance tax returns may also need to be filed. Consult with an accountant to confirm the requirements.

Final Required Minimum Distribution (RMD) for Year of Death:
For individuals who have reached their Required Beginning Date (RBD) age, if the deceased had not yet taken their RMD for the year of their death, the beneficiaries must take this final RMD before they can assume control of the account. This RMD must be completed by December 31 of the year of death.

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Notify Creditors

Inform the deceased's creditors by mail. If there were any loans, determine if they are insured and insist on proof of all claims.

Distribute the Estate:

Ensure that the estate is distributed to the beneficiaries according to the will or trust.

Within 6-9 Months

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Within 9-12 Months

Revise Estate Planning Documents:

Ensure that your Will and estate documents are updated if your loved one was designated as a beneficiary, agent, trustee, or guardian.

Disclosures

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