

# Trustee/Personal Representative Maze of Responsibilities

## Locate and Study The Trust

Accept role as trustee and notify attorney who drafted trust

Investigate health care, anatomical gift, funeral and burial instructions

Meet promptly with family and others concerned with the estate

Obtain taxpayer EIN from IRS

## If Person Is Incapacitated

Coordinate health care with guardian and health care agent

Obtain affidavits from attending and other physicians regarding capacity

Review person's ongoing bills and short-term needs

Work with Power of Attorney to fund the trust

## Safeguard Assets

Insure and protect all real and personal property

Take possession of all valuables and keep them in a safe place

List essential details of decedent's business interests

Secure all records of accounts and all other papers of decedent

## State Law Legal Filings

File/Record the Trust if state law requires

File trustee succession wherever real estate exists

Coordinate with Executor for filing of a will/probate if necessary

Defend the trust against and Trust contests/litigation

## Other Preliminaries

Select Legal, Tax, Accounting, and investment counsel

Notify all beneficiaries, individual and charitable

Confer with family and associates familiar with decedent's affairs

Arrange for forwarding mail

## Handling Assets

Gather and list all assets including any rights or powers conferred by other documents

Determine liquidity needs

Take possession of all bank accounts, CD's, etc.

Locate safe deposit box and take possession of contents

Enter claims for any life insurance proceeds payable to the trust

Liquidate all accounts receivable. Collect accounts due

Determine if trust is solvent, and make certain to pay claims strictly in order of priority

Secure deeds and management of any real estate, with special attention to out of state property

Determine status of taxes, mortgages, leases and have all assets appraised

Personal residence – secure the home, clean out perishables, take care of pets maintain yard, etc.

Check all brokerage accounts. Analyze securities and decide on disposition

Comply with requirements of state Prudent Investor Act

Prepare inventory of all assets and establish values as of date of death

## Income Taxes

Get copies of income and gift tax returns for three years preceding death

File decedent's federal, state, and local income tax returns; consider form 4810

Analyze whether decedent took required IRA/retirement distributions

Locate safe deposit box and take possession of contents

If decedent left a spouse, analyze joint vs. separate return issues

Analyze whether to make Form 8555 tax election

File federal and state trust income tax returns and send K1's

Send IRA custodian required trust documentation for stretch out qualification

## Estate and Inheritance Taxes

File Federal and State Estate Tax returns on or before due date

Pay Estate Taxes within 9 months

Alert beneficiaries to tax liability for income distributed during probate

Inform beneficiaries of income and deductions in respect of a decedent

Analyze whether estate tax valuation discounts are available

Beware of special filings for non-US beneficiaries or accounts

Analyze whether special valuation or tax deferral is available

Compare 6 month alternative valuations

## Accounting and Audit

Defend estate and income tax returns at federal and state audit

Prepare a detailed statement of receipts and disbursements for the benefit of all beneficiaries and any other interested parties

## Distribution

Pay all legacies and deliver specific bequests.  
Secure final receipt and release from all legatees

Set aside cash and/or securities to fund any sub trusts. Arrange for regular remittance to beneficiaries

Investigate whether minor beneficiaries require court appointed guardian to receive assets

## Ongoing Management

Develop comprehensive investment policy and provide ongoing investment management

Analyze required minimum distributions from IRAs/retirement plans

Document all evidence of grantor's intent concerning discretionary distributions

Document beneficiaries needs per trust agreement

Consider purchasing Errors & Omissions insurance for trustee

Provide detailed and consistent accountings to all beneficiaries

Frequent beneficiary contact regarding trust and estate instruction, accounting issues, taxation, and performance reviews

Mitigate risk as related to the trust document and its administration