

# TIPS FOR SURVIVORS

What to do When a Loved One Dies



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A loved one's death brings on a period of grieving and stress.

People often ask: "What do I do now?" There is often much to be done in a short time period. One has to deal with the sorrow of loss, while at the same time attending to practical concerns.

This document attempts to help ease the burden by giving suggestions on what to do from a legal and financial standpoint. Following these tips will help you comply with legal requirements and make estate administration easier.



# Immediate Action

These items need immediate attention (some can even be done prior to death):

- Notify relatives and friends.
- If the person was employed at the time of death, notify the employer.
- Locate burial or funeral instructions. Check the person's will, but keep in mind that such instructions may also be in some less formal document. Also, check for pre-paid funeral or burial arrangements. The law allows a family member, in the presence of a bank officer, to open a safe deposit box in the deceased's name, for the purposes of removing the deceased's will and obtaining evidence of ownership of a burial plot.
- Make funeral arrangements. Be sure to keep track of all funeral expenses.
- Notify executor or trustee of estate.
- If your loved one was age 70½ or over and died near the end of the calendar year, check to see if a "required minimum distribution" is required by the end of the year (see next page).

## Do **NOT** do any of the following:

- Open a safe deposit box in the name (individually or with others) of the deceased person without following the proper legal procedures.
- Close the deceased's bank accounts. These may be part of the deceased's estate, and you may be held responsible for anything missing.
- Take, or start giving away, the deceased's possessions. If someone is dissatisfied with what you have done, you may be held accountable. From a legal standpoint, and for purposes of family harmony, it is better to distribute items as part of the formal administration of the person's estate.



# As Soon as Possible

Other actions should be taken within 7 to 30 days following the death of a loved one:

- Collect copies of last will; certified copies of death certificates (minimum of 10 from funeral director); insurance policies; latest financial statements; location and account numbers for bank statements; birth certificate, marriage license, Social Security number; Veterans' Affairs number and record; list of employer fringe benefits and last three years of tax returns.
- Contact attorney to schedule meeting to handle estate settlement or trust administration.
- Notify the nearest Social Security Office by phone or in person. If the deceased left a surviving spouse, apply for any Social Security survivor benefits. You may need the Social Security number of the deceased, a certified copy of the death certificate and proof of relationship (marriage license, birth certificate). Follow up if benefits are not received within 60 days.
- If the deceased receives other payments that may cease upon death, such as a pension or annuity, notify the appropriate company.
- Contact banks to verify status of checking and savings accounts.
- Employee benefits. Contact the deceased's employer and its benefits department and request a listing of death benefits payable and how paid. Provide adequate number of certified death certificates and any other documentation required.
- Life insurance. Contact insurance company, agent or advisor and obtain death claim form. Complete form and return it along with a certified copy of death certificate and policy. Also ask the insurance company for a copy of IRS Form 712.
- Veterans' benefits. Inquire in person at local office as to eligibility. Deliver required documents: Birth Certificate, Social Security number, death certificate and Veterans' Affairs records.

## Required Minimum Distributions

You may need to take action by the end of the calendar year if your loved one:

- Was age 70½ or older;
- Owned an IRA or was a participant in a qualified retirement plan, such as a 401(k) or 403(b) plan; and
- Did not take all of his or her required minimum distribution (RMD) before the date of death.
- If conditions (1) and (2) apply, check as soon as possible to see what, if any, distributions (withdrawals) were made. If an additional distribution needs to be made to reach the RMD, that distribution should be made to the beneficiary no later than December 31 of the year of death. Failure to make the distribution could result in a 50% tax penalty on the distribution not taken.



## Tax Notes

- ❑ Be sure that the decedent's final Pennsylvania and federal income taxes are filed in a timely manner. Obtain all W-2's, 1099's, etc, for filing purposes.
- ❑ Make a decision on whom is to file additional tax returns: U.S. Federal Estate Tax Return, Form 706; PA Inheritance and/or Estate Tax return; Estate Tax Returns in other states, where applicable (property holdings); and state and federal fiduciary income tax returns for income earned by the estate while it is being administered.

## Other Items

While not as pressing, these items will also need timely attention:

- ❑ Locate securities and contact securities broker to arrange, if necessary, re-titling of securities.
- ❑ Notify casualty insurance broker to change casualty and homeowner insurance, as necessary.
- ❑ Have executor change ownership of any insurance policies owned by the deceased on the lives of others.
- ❑ Have executor re-title real estate that was owned by the deceased.

Losing a loved one is never easy. By following the tips above, however, you can take positive steps to put your loved one's affairs in order and ease the way for survivors.

*The information above is intended to provide general information and is not intended as a substitute for legal advice. These tips apply to Pennsylvania residents. Practices may vary in other states. For legal advice in a particular situation, you should consult with a lawyer.*

