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The goal of the *IPE Insights* newsletter is to provide practical, life advice on **Investments**, financial **Planning** and financial **Education (IPE)**. Increasing net worth is more than a simple calculation to determine what my current and cumulative investment rate of return looks like. While investing and rate of return are the vehicles and cornerstone of wealth accumulation, the ultimate goal is to maximize what I end up with in my pocket. A secondary goal of wealth accumulation is to ultimately pass on the remainder of my estate to my heirs and/or those organizations that were meaningful in my life. That is a formula that includes not only investments, but also insurance, tax planning, retirement planning and estate planning. During the course of a year, this newsletter seeks to touch on all of those topics.



*When planning for a year,
plant corn.
When planning for a decade,
plant trees.
When planning for a life,
train and educate people.*

The June newsletter presented a checklist on Preparing Your Estate. The July issue reviewed the second quarter stock market. In this current August newsletter, we return to the estate planning area and offer a checklist for Settling an Estate. Hopefully you will not have to settle an estate anytime soon but, when necessary, this checklist should provide a helpful roadmap. There is a touch of fall in the air. As usual, summer has gone by too quickly - enjoy its last hurrah. Take good care!!!

Settling Your Estate

This checklist details covers the important tasks involved with settling an estate in the months after a loved one has passed away.

RESPONSIBILITY	STEPS	✓	N/A
File for probate of will	Soon after death, executor should find and carefully read the will.	<input type="checkbox"/>	<input type="checkbox"/>
	Executor files will with appropriate state probate court.		
Petition court for letters testamentary	Letters proving that you are legally appointed executor.	<input type="checkbox"/>	<input type="checkbox"/>
	Request certified copies for certain estate-related financial transactions.		
Obtain copies of death certificate	Copy required for most companies, financial institutions and benefit claims. Get 10-15 copies.	<input type="checkbox"/>	<input type="checkbox"/>
	Some funeral directors will arrange this for you. Certificate also obtainable from clerk's office in county of decedent's death or from the health department.		
Inventory estate assets	Executor is responsible for each asset's value at time of death. A professional appraiser may be required.	<input type="checkbox"/>	<input type="checkbox"/>
	Locate important documents, including (if applicable): Checking, savings, brokerage account statements, employee benefits statements, tax returns, marriage license, birth certificates, veteran's discharge papers and Social Security numbers of beneficiaries.		
Inventory regular payments	Review decedent's checkbook register, bank statements and previous tax returns to determine: <ul style="list-style-type: none"> ■ Insurance premiums ■ Land contracts/mortgages ■ Vehicle loans ■ Tax payments ■ Vehicle registration license fees ■ Deposit amounts of paychecks, retirement benefits, Social Security, VA benefits or other income 	<input type="checkbox"/>	<input type="checkbox"/>
Transfer property as necessary; Consult an attorney	Real estate, vehicles and boats need to be retitled to the named beneficiary or yourself as executor.	<input type="checkbox"/>	<input type="checkbox"/>
	In absence of bequest of property, executor may decide to sell and add proceeds to other cash in estate.		
Manage estate property	Protect property from theft or damage.	<input type="checkbox"/>	<input type="checkbox"/>
	Manage investments (or hire an investment manager).		
	Collect rent or income produced by estate.		
	Maintain insurance policies.		
List estate liabilities	You are responsible for debts owed by decedent at time of death. Verify authenticity of all statements and claims. Alert authorities to suspected fraud.	<input type="checkbox"/>	<input type="checkbox"/>
	Review all mail. Notify creditors of the death and invite claim submissions (including utilities, medical expenses and credit cards).		
Review and inventory safety deposit box(es)	Court petition may be required. Many banks seal boxes upon owner's death.	<input type="checkbox"/>	<input type="checkbox"/>
	Determine whether property owned jointly by decedent and another individual goes directly to that person. Other property is part of the estate and subject to probate.		
Close solely owned bank/brokerage accounts	Open new accounts for estate and transfer assets. A new checking account is usually needed for paying estate's debts and other obligations.	<input type="checkbox"/>	<input type="checkbox"/>

RESPONSIBILITY	STEPS	✓	N/A
Locate insurance policies and file benefits claims	Life insurance benefits are usually payable directly to beneficiaries without becoming part of the estate. Other sources of insurance or death benefits can include: <ul style="list-style-type: none"> ■ Group life insurance from employers, labor unions, professional organizations, etc. ■ Insurance on mortgage or vehicle loans ■ Retirement plans (401(k)s, IRAs) ■ Unpaid salaries, vacation pay or sick leave are in many cases paid directly to surviving spouse or other beneficiaries, not becoming part of estate. 	<input type="checkbox"/>	<input type="checkbox"/>
	Contact insurance brokers, employers and union representatives. (They will require policy numbers.)		
Review taxes owed by decedent and estate	You may be responsible for filing federal, state and local income tax for year of decedent's death.	<input type="checkbox"/>	<input type="checkbox"/>
	File estate's income taxes, if the estate generates income above a certain amount from date of death until April 15 of the year after death.		
Keep beneficiaries up-to-date	Final settlement will be easier if you keep detailed records of actions taken on behalf of the estate.	<input type="checkbox"/>	<input type="checkbox"/>
Contact local Social Security Administration office	Survivor benefits for eligible widow(er)s, minor children and some dependent parents age 62 or older. Some divorced spouses may also be eligible.	<input type="checkbox"/>	<input type="checkbox"/>
	You can also call the SSA at (800) 772-1213. They require: <ul style="list-style-type: none"> ■ Certified copy of death certificate ■ Decedent's SS# and most recent W2 forms ■ Name of decedent's employer (if applicable) ■ SS# and birth certificates of spouse and minor children; marriage license ■ Divorce decree of divorced spouse (if applicable) 		
Close estate and distribute assets to beneficiaries	Executors must make sure claims against the estate are paid before distributing assets to beneficiaries.	<input type="checkbox"/>	<input type="checkbox"/>
	Federal and most state laws require all estate tax returns no later than nine months after death.		
	Time limit for creditors to submit claims in most states.		
Deactivate online accounts	If login and password information is available, ensure that computers, phones, tablets and every online account (from banking and investments to streaming or social media) are protected, and review any paid services or subscriptions with recurring or periodic payments, transferring or canceling as necessary.	<input type="checkbox"/>	<input type="checkbox"/>
Reopen estate if necessary	In rare situations, an estate may need to be reopened. E.g., discovering a large sum of money 10 years later would require distribution according to the will's instructions.	<input type="checkbox"/>	<input type="checkbox"/>

Glossary

BENEFICIARY: Person who receives property from an estate through the right to receive a bequest or income.

BEQUEST: A gift of personal property, including stocks, bonds, jewelry and cash.

DECEDENT: An individual who has died.

ESTATE: The entirety of the decedent's ownership of money, material goods and property.

EXECUTOR/EXECUTRIX: Person named in a will and appointed by the court to carry out terms of the will and manage the decedent's estate.

PROBATE: The legal process by which the decedent's assets are collected and distributed to beneficiaries of the estate.

TESTAMENTARY: Relating to a will or other document effective upon death.

WILL: Document specifying beneficiaries to inherit decedent's estate and naming a beneficiary (executor) to manage the estate and distribute assets.

"Most people spend more time planning their grocery shopping than designing their future. The basic difference between people who live their dreams and those who only dream about how they would live, are the accuracy of their plans, their ability to generate new ideas, and their ability to take action. Thinking is easy, acting is difficult, and to put one's thoughts into action is the most difficult thing in the world. They say anything is possible, you need to dream as if you've never seen obstacles."

Author Unknown

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