Handling Estates/Paperwork

This Chapter will cover:

- Practical consideration
- Papers and certificates
- Insurance policies
- Social Security
- Veteran’s benefits
- Employee Benefits
- Wills and probate
- Taxes and general finances

The death of a spouse or loved one is a very difficult time. Yet even during this period of grief and emotional readjustments, important financial arrangements must be made. Some attention may have been focused on these items prior to a death. This guide, however, was developed to help you prepare for and handle the many details which must be attended to, whether or not any prior arrangements were made. We hope the following information will help to guide you through the many decisions that need to be made and actions, which need to be taken in the first few months after death

- Changing Ownership or Title
- Credit Cards
- General Finances
- Professional Assistance

Practical Considerations for Funeral or Memorial Services

- Decide on time and place for funeral or memorial service.
- Make a list of immediate family, close friends, and employer or business colleagues. Notify each by phone.
- If flowers are to be omitted, decide on appropriate memorial to which gifts may be given (a church, library, school, or charity).
- Write obituary. Normally, the mortuary does this, but you may wish to consult with them. Include age, place of birth, occupation, college degrees, memberships held, military service, outstanding work, list of survivors in immediate family. Give the time and place of services.
- Arrange for family members or close friends to take turns answering the door or phone, keeping careful records of calls.
- Arrange hospitality for visiting relatives and friends.
- Arrange appropriate childcare.
- Coordinate special needs of the household, e.g. cleaning, grocery shopping, etc., which might be done by friends.
- Select pallbearers and notify them (avoid persons with heart or back difficulties, or make them honorary pallbearers).

Practical Considerations for AFTER Funeral or Memorial Services

- Notify the lawyer and executor of the will. Get several copies of the death certificate.
- Plan for the distribution of flowers after the funeral (hospital or rest home).
- Prepare a list of distant persons to be notified by letter a/or printed notice and decide which to send each.
- Prepare a list of persons to receive acknowledgements of flowers, calls, etc. Send appropriate acknowledgements (can be written notes, printed acknowledgements, or some of each).
- Check promptly on all debts and installment payments. Some may carry insurance clauses that will cancel them. If there is to be a delay in meeting payments, consult with creditors and ask them for more time before payments are due.
- If the deceased was living alone, notify utilities and landlord and tell the post office where to send mail. Take precautions against thieves.

Collecting Paperwork

The first step is to collect the necessary papers in order to file for various benefits and to finalize the estate:

- *Copies of the death certificate*: You will need to give copies of the death certificate to many of the offices or agencies you contact. You can purchase certified copies of the death certificate through your funeral director or directly from the county Health Department. There will be a charge of $25 per certificate. You may save money by using a photocopy when possible, but many companies will require a certified copy. For most circumstances, you will want 10-12 copies initially, but you may need more later.
- *Copies of insurance policies*: These documents may be stored in a safe deposit box or with the personal belongings of the deceased.
- *Social Security numbers of the deceased, the spouse, and any dependent children*. The Social Security number for the deceased can be found on the death certificate.
- *Copy of a certificate of honorable (or other than dishonorable) discharge if the deceased was a veteran*. Write or submit an online form with the Department of Defense’s National Personnel Record Center, 1 Archives Drive St. Louis, MO 63138, if you cannot find a copy of the discharge. You can find more information here about the SF -180 form.
- *Copies of a marriage certificate if the spouse of the deceased will be applying for benefits*. Copies are available at the Office of the County Clerk where the marriage license was issued.
- *Copies of birth certificates for dependent children*: Copies are available at either the State or County Public Health offices where the child was born.
- *A copy of the will*: The lawyer of the deceased may have the will, or it may be in a safe deposit box or with the personal belongs of the deceased.
- *A complete list of all property*, including real estate, stocks, bonds, savings accounts, and personal property of the deceased. Land titles, stock certificates and other financial papers may be stored in a safe deposit box or other secure place.

Insurance Policies

The deceased may have had several types of insurance policies.

These could include:

- Life insurance
- Mortgage insurance
- Loan insurance
- Accident insurance (if applicable)
- Auto insurance (if applicable)
- Credit card insurance
- Various types of insurance provided by the employer of the deceased.

The proceeds from an insurance policy can generally be paid directly to the named beneficiary. These claims are usually processed quickly and can be an important source of money for the survivors. You should file claims for insurance policies as soon as possible, especially if finances are a concern.

You may need to make a decision regarding the type of payment plan you desire. Your options might include taking the money in a lump-sum payment, or having the insurance company make fixed payments over a period of time. The decision depends on your financial situation. You may want smaller fixed payments in order to have a steady income and to pay less tax on the money. Or you may want the full amount immediately to pay bills or to invest. You should consider consulting a lawyer or financial advisor about this decision.

Social Security

The deceased is considered to be covered by Social Security if he/she paid into Social Security for at least 40 quarters. Check with your local Social Security office to determine if the deceased was eligible. If the deceased was eligible, there are two types of possible benefits.

- A death benefit of $255 toward burial expenses. You can complete the necessary form at your local Social Security office, or you can ask the funeral director to complete the application and apply the payment directly to the funeral bill. This payment is made only to eligible spouses or to a child entitled to survivor's benefits.
- Survivor's benefits for a spouse or children:
  - If the spouse is age 60 or older, he/she will be eligible for benefits. The amount of the benefit received prior to age 65 will be less than the benefit due at age 65 or over.
  - Disabled widows age 50 or older will be eligible for benefits.
  - The spouse of the deceased who is under 60 but who cares for dependent children under 16 or cares for disabled children may be eligible for benefits.
  - The children of the deceased who are under the age of 18 or are disabled may also be entitled to benefits.
  - When applying for Social Security benefits, you should have available birth and death certificates of the deceased, marriage certificate of the spouse, birth certificates of any dependent children, Social Security numbers, and copies of the deceased's most recent federal income tax return.

Federal Social Security Administration	**Reno Social Security Administration Officer**
Find more information at their website or give them a call (800) 772-1213.	Contact your local office for information about how Social Security applies to you by calling (888) 808-5481.

Veteran’s Benefits

If the deceased was a veteran who received a discharge other than dishonorable, the survivors may be eligible to receive a lump-sum payment of $300+ towards burial expenses and an allowance of $150 for the purchase of a plot in a private cemetery. Veterans are also eligible for a headstone or grave marker provided without charge. The funeral director often can help you apply for these benefits, or contact the local Nevada Department of Veteran Services (NDVS) – (775) 321-4880.

The surviving spouse and dependent children of veterans receiving disability benefits may also be entitled to monthly payments. Check with the local Veterans Administration office.

Northern Nevada Veteran’s Memorial Facility – Fernley

Find more information at their website or give them a call (775) 575-4441.

Employee Benefits

If the deceased was employed at the time of death, you should contact the employer regarding any benefits for the survivors. The employer may have provided life, health, or accident insurance that will yield payments. The deceased may be due a final paycheck for vacation or sick leave. If the death was work-related, there may be worker’s compensation benefits.

Also check with the employer to see if the deceased belonged to a union or professional organization. These groups may offer death benefits for their members.

You should contact all past employers, including federal, state, or local government, to determine if the survivors of the deceased are entitled to any payments from a pension plan.

If the deceased was already retired and received a pension, you should check with the employer to determine if survivors will continue to receive a pension payment and whether the payment will be reduced.

The Will

Hopefully a valid will, signed by the deceased, is available. Try to locate a copy of it. Check with the lawyer, family, and friends of the deceased who might know where the will is kept. It may be stored in a safe deposit box, which is sealed at the time of death in some states. (See the section on safe deposit boxes).

If the deceased did not have a will, this is referred to as dying “intestate”. In this case, the estate, including property and assets belonging to the deceased, will be disbursed according to state law. This will not include property where the title is in the name of the deceased and another person. This property will automatically pass on to the co-owner.

In Nevada if the deceased did not have a will, the property of the deceased will be distributed according to this formula:

All of the community property is disbursed to the spouse. As to any other property, if there is only one child, one-half to the spouse and one-half to the child. If there is more than one child, one-third to the spouse and two-thirds to the children. Other distribution laws will be followed if there is no spouse or no children.

Contact the Public Administrator for your county for more information on this topic

Washoe County Call (775) 861-4000.	**Douglas County** Call (775) 287-4321.
Storey County Call (775) 847-0964.	**Carson City** Call (775) 887-2260.

Probate

Probate is the legal process of distributing the estate of the deceased to the rightful heirs. This process usually entails:

- The appointment of an individual by the court to act as a “personal representative” or “executor” of the estate. This person is often named in the will. If there is no will, the court will appoint a personal representative, usually the spouse or a relative.
- Proving that the will, if it exists, is valid.
- Informing interested parties, especially heirs and beneficiaries, that the will is being probated.
- Disposing of the estate by the personal representative in accordance with the will or the laws of the state.

In Washoe County, the Second Judicial District Court, (775) 328-3100, has jurisdiction over the probate process. The spouse or personal representative named in the will must file a petition with the court within 30 days after death. There is a filing fee for this process.

Depending on the size and complexity of the probatable assets, you may require legal assistance.

Probatable assets do not include property where the deceased and someone else are listed as owners. Proceeds from a life insurance policy or Individual Retirement Account (IRA), which can be paid directly to a beneficiary, are also not subject to probate.

Estate and Inheritance Tax

Federal Estate Tax

Because of changes in recent years, very few estates now have to pay the federal estate tax. Contact your local Internal Revenue Service office for Form 706 or visit their website.

State Estate/Inheritance Tax

There is no estate or inheritance tax in the State of Nevada as of the writing this guide.

Income Tax

The federal and income taxes of the deceased are due for the year of death (Nevada has no state personal income tax). The taxes are due on the normal filing date of the following year, unless an extension is requested.

The spouse of the deceased may file jointly for the year of death. A spouse with dependent children may file jointly for two additional years. The IRS offers a booklet, publication #559, "Information for Survivors, Executors and Administrators", which may be helpful. You can obtain this booklet online: https://www.irs.gov/pub/irs-pdf/p559.pdf or by contacting your local IRS office (775) 824-2218. The phone number is listed under IRS Forms in the government section of your directory.

Changing Ownership or Title

You may need to transfer ownership or change title on property, or revise documents after a death. Some items to check include:

- **Insurance Policies:** For policies held by the spouse of the deceased, beneficiaries may need to be changed. Especially for life insurance, you may decide that you no longer need to have the same amount if you do not have dependents. Auto insurance and home insurance may also need revision. In the case of a spouse, the deceased may have covered your medical insurance through work. You may need to purchase your own medical insurance. Check with the employer to see if you can continue with their group health insurance plan, which may be less expensive. Contact the company issuing the policy to make any changes, or for more information.
- **Auto:** The title of the car owned by the deceased may need to be changed. Contact your State Department of Motor Vehicles.

Department of Motor Vehicles (DMV)

Find more information at their website or give them a call (775) 684-4368.

- Will: Your will may have passed property on to the deceased, and should be updated. You may want to contact your attorney for assistance.
- Bank accounts, stocks, bonds: If you had a joint bank account with the deceased, it will automatically pass to you. You should check with the bank representative to change the title and signature card of the account. To change stocks or bond titles, check with your stockbroker. If the bank account was held only in the name of the deceased, those assets will have to go through probate. An exception to this would be trust accounts.
- Safe Deposit Box: If the box was rented only in the name of the deceased, it will require a court order to open the box. Only the will or any other materials pertaining to the death can be removed until the will has been probated.
  - If the safe deposit box was rented in joint names, you may need a letter from the Washoe County 2nd Judicial District Court, (775) 328-3110, to get into the box. Contact the Court for details.

Credit Cards

Credit cards, which were held exclusively in the name of the deceased, should be canceled. Any payments due on these credit cards should be paid by the estate.

In the case of a spouse, you may have credit cards in both names, or you may have used cards which listed only the name of the deceased. In this situation, you will want to try to make payments in order to keep your own good credit rating. You should begin to notify the credit card companies that your spouse is deceased, and that the card should list your name only. Some people, particularly widows, may have trouble getting a new card if they do not have their own credit rating. When applying for a card, be sure to inform the lender about credit cards you shared with your spouse, even if your name was not listed.

General Finances

Debts owned by the deceased will be the responsibility of the estate and should be forwarded to the personal representative or executor who is settling the estate. However, debts which are jointly owned, particularly mortgage payments and utility or phone bills, should be paid by the survivor in order to keep a good credit rating.

An extra word of caution to widows and widowers: it is generally suggested that you do not immediately make permanent significant financial decisions, such as selling your home, moving, or changing jobs. You will need some time to consider your situation before you can make these decisions responsibly. If at all possible, don’t rush into a decision you might later regret.

Professional Assistance

You may need or desire the services of a professional, particularly a lawyer or a financial advisor. It may be easy initially to use the services of the lawyer who wrote the will for the deceased or to work with the financial advisor of the deceased. Or you may wish to locate another professional with whom you feel more comfortable. One good place to begin finding names of competent professionals is from friends or family members who have had successful dealings with the kind of advisors you are seeking. Professional organizations, such as the Washoe County Bar Association may be able to provide referrals.

State Bar of Nevada Find more information at their website or give them a call (775) 329-4100.	**Washoe County Bar Association** Find more information at their website or give them a call (775) 786-4494.
Northern Nevada Legal Aid Find more information at their website or give them a call (775) 329-2727.	