



First Steps to Take When a Loved One Dies with a Trust

When a loved one passes away who had a trust, the process of settling their estate differs from the probate process associated with a will. These steps will help you begin the process of administering the trust.

Here are the initial steps to take when a loved one dies with a trust:

- Notify the Relevant Parties:**
 - Inform family members, close friends, and beneficiaries about the passing of your loved one.
 - If the person had a lawyer or financial advisor, contact them to let them know about the death.

- Obtain the Death Certificate:**
 - Obtain multiple copies of the death certificate from the appropriate authorities. You will need these for various legal and financial purposes.

- Locate and Secure the Trust Documents:**
 - Locate the original trust documents, including the trust agreement, any amendments, and related paperwork. These documents should be kept in a safe place.

- Identify the Trustee:**
 - Determine who the named trustee or successor trustee is in the trust documents. The trustee is responsible for administering the trust.

- Notify the Trustee:**
 - Contact the trustee to inform them of the death. The trustee will take over the responsibility of managing and distributing the trust assets.

- Arrange for Funeral and Burial:**
 - Make arrangements for the funeral or memorial service, and for the burial or cremation. The trust documents may contain specific instructions regarding funeral and burial wishes.

- Inventory and Appraise Assets:**
 - Create an inventory of the trust assets, including their value. Some assets may need to be appraised professionally.

- Notify Financial Institutions:**
 - Contact banks, investment firms, and other financial institutions to inform them of the death. The trustee will need to access and manage these accounts.

- Consult an Attorney:**
 - Consult with an attorney experienced in estate planning and trust administration. The attorney can guide the trustee through the legal process and ensure that the trust is administered correctly.

- Read and Understand the Trust Documents:**
 - Carefully read and understand the contents of the trust documents. The trust agreement will outline how the assets are to be distributed to the beneficiaries.

- Notify Beneficiaries:**
 - Notify the beneficiaries of the trust about the death and inform them that the trust will be administered.

- Address Tax Matters:**

- Address any tax-related issues, including filing final income tax returns and potentially paying estate taxes, if applicable.
- Consult with a CPA if you need assistance with tax-related issues.

**Distribute Trust Assets:**

- Following the instructions in the trust documents and any applicable legal requirements, distribute the trust assets to the beneficiaries.
- This may involve transferring property from the trust to the named beneficiaries. Consult an attorney if you need assistance transferring trust assets.

**Keep Detailed Records:**

- Maintain accurate records of all financial transactions, communications, and actions related to trust administration.

**Close and Settle the Trust:**

- Once all legal and financial matters have been resolved and assets have been distributed to the beneficiaries, the trust can be officially closed.
- Contact the bank and other financial institutions to close all accounts owned by the trust.
- Consult with an attorney to prepare an Affidavit of Closing to keep for your records.

Trust administration is typically a private process and may not involve the court system to the same extent as probate. The trustee has a fiduciary duty to act in the best interests of the beneficiaries and to follow the terms of the trust agreement. If necessary, the trustee may need to consult with financial professionals or legal experts to ensure the proper administration of the trust.

Please reach out to Williams Law Office, PC if you have questions about what to do after a loved one passes away with a trust, or you need assistance with trust administration.

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