



ADMINISTRATION OF ESTATES

Being asked to administer a loved one's estate?

Four stages of estate administration to know as you begin the process

Most people have little experience dealing with estate administration and are often overwhelmed when they discover they've been appointed to oversee it. While there are many activities involved with administering an estate, you may be able to ease the burden by familiarizing yourself with the process.

1) Gather documents and assets

The first step in the estate administration process is gathering the decedent's important papers and documents related to the decedent's assets and liabilities. These typically include the following:

- Estate planning documents - e.g., will, revocable trust, and directions regarding burial
- Bank and brokerage statements (including those for retirement accounts)
- Inventory of tangible property
- Life insurance policies
- Property titles and deeds
- Statements for outstanding bills and loans (including mortgages)
- Login information for any online accounts

From these documents, the executor will create an inventory of what the decedent owned and owed, and record how each asset is titled.

2) Initiate probate

The second step of estate administration is to initiate probate, if required. Probate may be required if the decedent held assets in his or her name alone. If probate is required, the executor should work with an estate attorney early in the administration process to draft the necessary court documents to open the probate estate. Examples of those court documents include the following:

- Petition for probate administration
- Joinders, waivers and consents
- Orders admitting will to probate and appointing executor
- Letters of administration/letters testamentary

3) Determine values and pay bills

The next step is to determine the values of the decedent's assets as of the date of death and to pay the decedent's final bills. This step often includes the following tasks:

- Contacting the institutions where the decedent's assets are located
- Hiring an appraiser for any assets that are not readily marketable, such as real estate or closely held business interests
- Opening an account in the name of the estate to receive any income or assets of the estate

- Gathering, and paying, the decedent's outstanding bills and expenses of the estate administration
- Preparing and filing the decedent's final income tax returns and any estate tax returns. The executor will also pay any resulting tax liability.

4) Distribute assets and close the estate

The executor's final duties are the distribution of the decedent's assets and closing the estate. Once the executor is certain that all assets are accounted for and all expenses of administering the estate have been paid, including any debts and taxes, the executor can make final distributions to the beneficiaries per the estate planning documents. The estate can then be closed.

As each estate is different and each phase of the settlement process carries particular obligations for required actions, forms and filings, it is important to get advice from experts throughout the process. Your CIBC Private Wealth advisor will work closely with your legal, accounting and other advisors during this transitional period. **For more information on estate administration and the steps involved, visit our [Administration of Estates resource page](#).**