

SUDDENLY SINGLE CAN BE SUDDENLY MORE. LET US HELP!

When you lose a someone either through their passing or divorce you feel lost, hurt and anxiety. These are normal human emotions, and certainly taking over the responsibilities of your financial management can be unsettling and cause more stress. At times like this it's helpful to relish the reality that you have friends, are not alone, and there is both hope and help.

Working as a fiduciary, ProActive can help by providing guiding you through the financial red tape to organize, notify and inventory assets and liabilities as the Executor/Executrix and present a much-streamlined accounting to your attorney who will work the estate through the legal probate/trust process.

Our assistance to guide you is straight-forward and follows a process to expedite the accounting and legal work. We'll serve as your "Quarterback" interfacing with Medicare, Social Security, insurance company and broker dealers as well as your legal counsel. We'll translate all the professional jargon, and help you navigate and get through the whole process. Here is an overview of the main steps:

If Death of a spouse, take care of the funeral arrangements finally asking the funeral home to send you several (5) copies of Death Certificates. Collect the deceased Will & Trusts and call us to discuss options of settling the estate with or without an attorney.

If a Divorce, call us to help you gather information and to get an overview of what's to come. If there are children who need support, we help you devise the basis for requesting support to present to your soon to be EX keeping focus on eliminating words and actions to bias the children against the other.

Documents needed for settling and estate and completing a Divorce:

Make an inventory of all assets & liabilities you own together and individually. If there are any trusts (revocable or non-revocable) and any pre-nuptial agreements gather those as well. Note any Power of Attorney authorizations terminate at death. Include copies of tax returns for the last 2 years.

Gather insurance policies, contracts, checking, savings, and investment statements as well as beneficiary forms. It is important to see the documents because how they are titled is critical.

Pre-Probate* / Pre-Divorce

Inventory Assets and Liabilities
Organize and Value Assets
Document Ownership Titling
Analyze & Pay Liabilities
Estimate immediate Income needs
Prepare Net Worth Statement
Develop working budget
Assistance in Attorney Selection

*Guidance on Successor TTEEs

*Notify Medicare & Soc. Sec.

Probate* / Divorce Settlement

Discuss & Prioritize Goals
Analyze income sources
Estimate earnings potential
Estimate College & Educational costs
Compare after-tax Asset sales
Project Retirement Needs
Analyze Insurance Needs
Estimate maintenance needs
Develop alternative settlement
Guide & Oversee Beneficiary Dist.

Cont'd

Guidance on Successor TTEEs
Est. new marginal tax brackets
Develop investment strategy
Manage & Monitor investments
Update plans

THE PROCESS OF SETTLING AN ESTATE



Probate is the legal process that occurs after someone dies that administers how the deceased asset will be distributed. If the decedent has a will an Executor/Executrix will be named. If not, the court will appoint a person, usually a family member or next of kin, to assume responsibility for handling the probate process. The process is somewhat time consuming but varies by county and the complexity of assets and liabilities subject to probate.

Here are the steps under probate law which must be followed:

1. File a petition or request on a form made available by the county court to begin probate. The county with jurisdiction is normally the county the deceased lived in when they passed. The court will have hearing to confirm the death by presentment of the Death Certificate, see if there are any objections to the person requesting to be Executor/Executrix, find out if there was a Will naming an Executor/Executrix, and then appoint one who will then be the legal representative for the deceased estate.
2. Give Public Notice to all creditors, beneficiaries, and heirs, as required by the county court, that the deceased state is in Probate to be lawfully distributed. Some counties require a notice to be mailed while others require a published newspaper notice.
3. Take the estate inventory and appraise all assets subject to probate which includes Bank checking and savings accounts, investment accounts, real estate, automobiles, boats, trailers, motorcycles, and other personal assets such as art, gun, coin, glass, etc. collections as well as furniture and antiques.
4. As the Executor/Executrix you will act as the deceased Paymaster for debts and taxes as well as collect money owed to the deceased keeping records of what is owed, received in payment, and paid out. To know what is owed and what is due, Executors/Executrices' must search through mail, email, credit card statements and checking accounts to discover what needs to be paid and what sources of income are coming in. In this process prudence must be taken to be certain every creditor can be paid in full out of the estate assets because any short fall could cause personal liability to the Executor/Executrix. While it is unusual, a bankruptcy could claw back payments made or a disgruntled creditor could ask the court for redress. Also please note the last Social Security payment of the deceased must be returned in the month of their death.
5. Pay out inheritance. After all debts and expenses are paid the Executor/Executrix will make distributions of the remaining asset to the lawful heirs as provided for by the Will of the Deceased or as dictated by the court if the deceased did not have a Will and died "In Testate."
6. With all bills paid, money owed to the deceased estate collected, and remaining assets distributed the Executor/Executrix reports to the court showing evidence of the disbursements and receipts asking to be released from their role as Executor/Executrix.
7. Caveats to Think about. Retirement plans and insurance policies as well as assets in a Trust do bypass probate. Only assets owned in the Decedent's name or joint name with a spouse at time of death are subject to probate. Wills and Trusts often direct assets upon death to be automatically transferred to a trust. In that case there may be no assets to probate. Aside from this, cases where Divorce and Remarriage are factors, businesses are owned by family members, and out-of-state real estate is owned may be subject of dispute or claim. If for example a vacation home is owned in a state where the deceased is not a resident, that real estate must be separately probated in the state where the vacation property is located. Potential conflicts and estate problems can be addressed with prior planning. Call ProActive should you need help planning your estate or concluding a divorce.