

**DEALING WITH THE  
DEATH  
OF A  
LOVED ONE**

**Articles Prepared by  
Members of the  
Estate Planning Council of Seattle**

For additional copies  
or further information contact  
The Estate Planning Council of Seattle  
P.O. Box 99593  
Seattle, WA 98139  
Telephone: (206) 504-4968  
E-mail: [info@epcseattle.org](mailto:info@epcseattle.org)  
Website: [www.epcseattle.org](http://www.epcseattle.org)

Copyright © 1994 The Estate Planning Council of Seattle  
© 2014

## CONTENTS

Introduction.....	ii
Immediate Concerns — What To Do First.....	1
Taking Care of Survivors.....	5
Taking Care of Funeral Arrangements .....	11
Getting Organized.....	15
Legal Matters: How Property Passes At Death.....	22
Informal Procedures – When No Court Proceeding is Needed .....	29
Life Insurance and Other Death Benefits.....	33
Taxes .....	40
Where To Get Help.....	44
Glossary .....	50

## Introduction

This third edition of “*Dealing With The Death Of A Loved One*” is one of three publications of the Estate Planning Council of Seattle. It is a collection of articles that address the questions about and offers practical guidance when someone dies. It includes a detailed list of where you can find people to help you, and a glossary that defines terms.

This book has two primary goals. The first is to help inform those who are concerned about the death of someone close. The second is to provide a quick reference source for persons who have to deal with a death that has already occurred or soon will.

“*Dealing With The Death Of A Loved One*” joins the Council’s other publications, “*Estate Planning*” and “*The Fiduciary’s Handbook*.” “*Estate Planning*” is about how to plan to dispose of property, purchase insurance, minimize estate and gift taxes, and plan for retirement. “*The Fiduciary’s Handbook*” describes a fiduciary’s duties, responsibilities and liabilities.

This publication was written and edited by Council members. Articles were updated by Patricia Char and Tony Ramsey, building upon the work of prior authors Patricia G. Acuff, Michael D. Carrico, Charles Lee Fitch, William F. Super, and David J. Toner. The Council is grateful for the contributions of time and effort of those who prepared the original version of this publication, especially prior editors.

Several words of caution:

Many of the subjects discussed in these articles are more involved than they may appear and entail federal, state and local laws. Please do not use these articles as a substitute for obtaining timely professional advice. The Council disclaims any responsibility for actions that may be taken based solely on advice offered in this publication.

The Estate Planning Council of Seattle, 2014

## **Immediate Concerns — What To Do First**

### **Emergencies**

Call 911. Ask for police and medical emergency service.

National Suicide Prevention Lifeline:  
1-800-273-TALK (8255)

[www.suicide.org/suicide-hotlines.html](http://www.suicide.org/suicide-hotlines.html)

### **Crisis Intervention**

When a death occurs, emotions run high. If you have any reason to suspect that someone's grieving is out of control or may lead to physical harm, seek help immediately. You may obtain help by contacting the police. There are also nonprofit organizations that deal with crisis situations listed in the phone book under "crisis." The organizations can refer you to other services. If you are concerned about someone's immediate well-being, do not leave him or her alone or let him or her drive. Carefully monitor his or her use of alcohol, sedatives and other drugs. When someone arrives to assist you, make sure he or she is aware of your concerns and disclose any drug or alcohol use.

### **Medical Examiners**

If someone dies in a hospital, hospice, or similar facility, the staff will be able to determine whether the medical examiner should be contacted, will provide a legal pronouncement of death, and can assist in contacting the funeral home of your choice.

If the death was expected and the person was admitted to a hospice or hospital, but death occurs at home, contact the hospice or doctor to ask what to do.

If the death was unexpected, call 911. The police and paramedics will respond. The police will coordinate with the county medical examiner, who will take charge of the body. Do not move the body unless it is in a dangerous spot. The county medical examiner or police will release the body to the funeral home.

## **Autopsy**

The opening and examination of the body are normally ordered by the medical examiner in cases of death that occurred unexpectedly or when the individual was not receiving ongoing care by a physician. This is necessary to determine the exact cause of death and often aids in medical research. Once completed and after the body is clothed, it should not be apparent that there has been an autopsy.

## **What if the Death Occurs While Traveling?**

If death occurs in a public place or while traveling, call the police. The deceased will be transported to a hospital where a physician or medical examiner will be summoned. Then notify a funeral director of the death. If you are traveling in the United States, ask a local funeral director to contact the funeral director whom you wish to use in your hometown. The two funeral directors will arrange to have the remains transported. If you are traveling outside the United States, you should contact the nearest U.S. embassy or consulate for assistance to make arrangements for local burial or to return the remains to the United States. (U.S. Department of State List of Embassies and Consulates, [www.usembassy.gov](http://www.usembassy.gov)).

## **Organ Donations**

You may be asked to donate all or some of the deceased's organs and tissues for transplantation, medical research, or education. The deceased may have made that decision for you by signing a donor card or indicating so in a will. Most states, including Washington, allow individuals to register to be organ donors through the state driver's licensing office so that a symbol indicated donor status will be placed on a driver's license.

If the deceased has named a donee, contact that organization and make certain that it will accept a donation. Otherwise, any guardian or health care attorney-in-fact, the surviving spouse, or other listed relations may make the decision under the Washington Uniform Anatomical Gifts Act. If you want to know who would be interested in a donation, contact Life Center Northwest, [www.lcnw.org](http://www.lcnw.org), 1-877-275-5269.

The decision to donate organs must be made quickly since organs deteriorate quickly. Donations of heart, lungs, liver, pancreas, and kidneys must be made within 12 hours of death and are usually coordinated in the hospital with the agency while the

person is alive. Donations of tissue, eyes, bones, skin, and heart valves usually must be made within 24 hours of death. The hospital will discuss organ donorship with the family if death appears imminent. You may be able to donate tissues even though the deceased was considered too old or sick to donate organs.

It should cost nothing to make a donation. All expenses should be paid by the organ procurement organization.

Making a donation should not delay the funeral. Nor should it prevent having an open casket since the deceased is usually not disfigured by a donation.

NOTES:

---

---

---

---

---

---

---

---

---

---

---



## **Taking Care of Survivors**

It is often said that death is harder on the survivors than it is on the deceased. For the one who has died, his or her problems are over. Often the survivors' problems have only begun. This chapter will explain how you can help the survivors as quickly as possible.

### **Getting Money for the Spouse and Family**

Unfortunately, death can come at the worst time financially. Cash will be in high demand for funeral arrangements, travel, gatherings of family and friends, bills, and daily maintenance. Some sources of cash that belonged to the decedent are more available than others and some sources have tax penalties attached, requiring advice and planning.

The first sources to be considered are savings and checking accounts that belonged to the deceased. If the person seeking withdrawal is a co-owner, no death certificate or court order is needed to withdraw funds. If the person seeking funds is not a co-owner, all financial institutions will require some verification of the death and your right to the funds. Powers of attorney that allowed the agent-in-fact to access accounts are no longer effective upon death and should not be used to access accounts. Probate proceedings may be commenced promptly to allow access to cash in the deceased's accounts.

The next fastest sources of money are unpaid wages or company and union death benefits, which may be payable directly to a surviving spouse. Be careful to save enough of this money for living expenses for at least two months, since it may take that long to collect funds from remaining sources.

The remaining sources of money will require more time and paper work. Life insurance will require certified copies of the death certificates, claim forms, company processing time, and possibly birth certificates of the beneficiaries or court arrangements if the beneficiaries are minors. If the insurance is payable to the deceased's estate, probate may be necessary and the personal representative will need to sign the claim forms.

Retirement benefits are normally paid through the employer's personnel department, employee's union or through a third-party plan administrator. To receive benefits, you must provide a death certificate. The earliest you can expect funds from this source is one week after getting a death certificate. This is true

for benefits for persons who were employed or who were already drawing a pension. Getting funds from an Individual Retirement Account (IRA) is quicker in that you can deal directly with the IRA sponsor. However, a death certificate is still needed. All withdrawals from pension and IRA accounts have tax consequences, some serious. Contact an attorney, accountant or other specialist in pension and IRA matters before withdrawing the money.

Selling assets takes time and legal authority to sell. This should be one of the last sources of cash. The last is borrowing. Until a clear picture of the income and liquid reserves is known, avoid getting into more debt. Where insufficient funds are available such that advancements are made, receipts should be maintained for reimbursement from the personal representative or any other person who loans funds to the decedent's estate to pay immediate expenses.

Court proceedings during probate can arrange for funds in a lump sum or in monthly payments. Monthly support can be paid to the spouse or to a guardian for the support of minor children if there is no spouse. Any acknowledged child of the deceased is entitled to apply for this source of support. Other dependents who are family members may also apply, but the reward is based upon necessity and the discretion of the court.

Social Security and Veterans Death Benefits will take longer and require specific forms and documentation of service records, death certificates, etc.

The important documents you may need to get these funds are:

- Certified copy of the Death Certificate
- Certified copy of the Community Property Agreement filed with the County Auditor's Office, if any
- Letters Testamentary or Letters of Administration issued by the court to the personal representative
- Decedent's Social Security Number  
Social Security Administration – Seattle region serves AK, ID, OR, WA  
[www.ssa.gov/seattle](http://www.ssa.gov/seattle) @ 1-800-772-1213
- Veteran Service Number and Records

Some pension, social security or trust income checks in the name of the deceased or automatic deposits to the decedent's

accounts may have to be returned or may belong to other beneficiaries. Ask your attorney for advice before cashing or accessing these.

### **Health Care Coverage for Surviving Family**

If the deceased was employed at the time of death, check with the employer or union to determine the family's options for continuing medical insurance. Some employers are required by law to allow family members to continue their medical benefits for up to 36 months under the Consolidated Budget Reconciliation Act of 1985 (COBRA). The family will need to pay the employer the premiums for this coverage and must notify the employer of the covered employee's death within 30 days. You may also qualify for coverage under the Affordable Care Act. Check [www.wahealthplanfinder.org](http://www.wahealthplanfinder.org) or [www.healthcare.gov](http://www.healthcare.gov) for more information.

Under the Affordable Care Act, insurance companies can take into account only a person's age, geographic location, tobacco use, plan category, and individual vs. family enrollment status when setting premium costs and may not charge women more than men or take into account health status when setting rates. Check [www.healthcare.gov](http://www.healthcare.gov) or talk with your insurance broker or medical insurance provider for additional information.

Contact the Social Security Administration website listed above for Medicare benefits. If the family simply does not have any assets or enough income to provide care, you may contact the Washington State Department of Social and Health Services ([www.dshs.wa.gov](http://www.dshs.wa.gov)), which has a variety of medical assistance programs. Medicaid is part of this program.

### **Emotional and Daily Care of Survivors**

For all those deeply affected by the death, self-help is probably least effective. Contact your local agencies that provide social and mental health services to obtain individual counseling, advice or recommendations for group support ([www.dshs.wa.gov](http://www.dshs.wa.gov)).

Children left without a custodial parent need immediate adult supervision and direction. Important steps to consider are:

- Move them to the home of family or friends
- If possible, get a letter authorizing someone to provide medical and educational care

- Notify their schools and learn their school hours and how to get them to and from school
- Notify their teachers
- Contact the YMCA or YWCA or other social and mental health agency for day programs when school is not in session
- A guardian will be named by the court two to four weeks after the will is submitted for probate
- Arrange medical insurance coverage: either continuation of the deceased's coverage or a new plan
- Maintain normal daily routines: meals, bedtime, friend contact, responsibilities, religion, etc.
- Arrange counseling for the children through a church, synagogue, or service agency.

Other family members, close friends and old friends can be found in the deceased's address book. Give this to a family member who is willing to contact these people.

### **Elderly or Handicapped Dependents**

The care needed for these family members is generally beyond the abilities and experience of most friends or other family. Immediately contacting a professional support agency through the Department of Social and Health Services (DSHS) is suggested. New legal authority to provide and decide for these dependents may also be needed. [[www.dshs.wa.gov](http://www.dshs.wa.gov), 1-800-737-0617]

### **Family Pets**

Experience indicates that pets will often run away if not attended to or given affection. Neighbors are usually the best and quickest short-term care solution. Longer term placement may be necessary. Keep secure control of the animals with leashes, fenced yards or pens until daily care is arranged. Arrange for daily feeding, water, and cleaning of their area. As with children, take the pet's toys and familiar things with them when they are moved.

Of course, if the deceased left written instructions regarding the pet's care, has set-up a pet trust for the continuing care of the pet, or has given the pet to a family member or friend under the will, these instructions should be followed if at all possible.

When it is not possible to find the pet a permanent new home, you may have to get outside help. See pages 46-47 for a list of organizations that can assist you.

### **Special Situations**

It is the responsibility of the decedent's personal representative to take care of assets. During winter months, if the house is unoccupied, winterize the home by keeping some heat on, putting anti-freeze in the toilets, and insulating outside faucets. Winterizing sprinkler systems may be necessary, as well.

Neighbors can be asked to keep an eye on things and take protective action for any of the property. They will be protected in their actions when done in good faith. Consider changing the locks on the residence if no one will be there.

Any business operated by the deceased should be contacted so someone can be designated to be in charge and to pay utilities and payroll.

The next of kin might have a moral duty to keep track of the deceased's property but usually is not legally responsible to care for it. If requested by the decedent's personal representative, that property should be turned over as part of the decedent's estate for distribution to estate beneficiaries.

Vehicles, boats, etc. should be secured, insured and the keys collected.

**NOTES:**

---

---

---

---

---

---

---

---

---

---

---

## **Taking Care of Funeral Arrangements**

Funerals are the formal recognition of death in most cultures and play a significant role in the life cycle of the person who has died and their survivors. Cultural, spiritual and emotional influences shape the nature of funeral plans and, sometimes, this can overwhelm someone experiencing this for the first time. This chapter will help you understand what to expect as you make these arrangements.

### **Funeral Directions**

Once death has occurred, you will need to contact a funeral home. Try to determine if the deceased had made his or her own plans with a funeral home. Check the deceased files to see if he or she had any burial insurance contracts with an insurance company or pre-arrangement funeral contracts with a funeral home or memorial association. Information may be found among invoices, canceled checks or in a personal letter kept with the will. Also, check the deceased's electronic files, as the deceased may have used an app on his or her phone, such as "myheathcarewishes" available through the American Bar Association. If nothing is found, contact the funeral home of your choice. They are staffed 24-hours a day. The funeral director will offer assistance and comfort, and will take care of most of the details.

### **Funeral Choices**

You may be asked to make several decisions:

- Choice of disposition: burial, cremation, or cremation with scattering of ashes.
- Type of casket for burial, or urn for cremation. You may select interment prior to a memorial service when burial is the preferred disposition.
- Choice of cemetery and lot for burial, or niche for cremation. Burial need not be in the cemetery affiliated with the funeral home.
- Religious preference.
- Church, chapel or graveside services. You may elect to have no funeral service.
- Choice of headstone or marker.
- Viewing and related embalming, if desired.
- Processional and escort to graveside service, if desired.

- Washington State list of funeral homes.  
([www.USAfuneralhomesonline.com](http://www.USAfuneralhomesonline.com))

### **What to Expect From Your Funeral Director**

The funeral director will assist you with the many details of planning the funeral. Resources are available to help you find a funeral director at Washington Funeral Directors Association, [www.wsfda.org](http://www.wsfda.org), 253-941-3370 or People's Memorial Association, [www.peoplesmemorial.org](http://www.peoplesmemorial.org), 206-325-0489. Among the more common details, the funeral director can assist the family with:

- Transporting the remains from the hospital, residence, nursing home or other location to the funeral home.
- Obtaining the physician's signature on the death certificate, filing with the various authorities, and obtaining certified copies of the death certificate for the family and personal representative to use in organizing the deceased's financial affairs.
- Preparing death notices for the various newspapers.
- Coordinating other elements of the service including clergy, newspapers, florists, printers, motorcycle escorts, vocalists, musicians, and cemetery or crematorium.
- Providing chapel and viewing area at the funeral home itself.
- Providing funeral coach, family limousine and other necessary transportation services.
- Forwarding the remains to another funeral home.  
Receiving the remains from another funeral home.
- Filing claims for veteran's benefits, execution of Social Security forms and handling of insurance forms.
- Coordinating and forwarding an honorably discharged veteran or spouse to a national cemetery for interment. The nearest one to Seattle is Tahoma National Cemetery in Kent (425) 432-6516.
- Offering follow-up bereavement programs for the family. These programs can be very helpful when dealing with the various stages of the grieving process. AARP ([aarp.org](http://aarp.org)) can also provide counseling services.



## **Funeral Costs**

According to 2012 figures compiled by the National Funeral Directors Association, the median cost of the typical funeral service and casket was \$7,045 or \$8,343 if a vault (typically required by a cemetery) is included. This estimate is exclusive of cemetery arrangements. Included in this cost estimate are costs for embalming and preparation of the body, transport of bodily remains, casket, and use of facilities for the memorial service.

Cemetery plots range from \$1,100 to \$2,000. This should include opening and closing of the grave, cemetery equipment and tent, a grave outer-burial container (liner or vault) and a marker. State law requires that “at least” 10 percent of the cost of the lot, niche, or crypt be charged and held in an endowment care fund by the cemetery in a depository that is open to audit by the State Cemetery Board.

To contain costs and ensure that you only get the services that you want, the Federal Trade Commission enforces the “Funeral Rule,” which gives you certain rights including, among others: the right to price information over the telephone, the right to purchase only the funeral arrangements you want without having to accept a package, the right to a written, itemized price list. Visit [www.consumer.ftc.gov](http://www.consumer.ftc.gov) and search “funeral rule” for more information.

**NOTES:**

---

---

---

---

---

---

---

---

---

---

---

## **Getting Organized**

The purpose of this chapter is to discuss what needs to be done soon, but not necessarily immediately after a death.

### **Going Into the Home**

A distinction should be made between things a friend, neighbor or relative might do to be helpful and things that need to be done by the personal representative in an official capacity. When a personal representative (or executor) is appointed by the court, that person assumes an official capacity to manage the estate. One of the first steps taken by the personal representative will be to locate documents.

There will be necessary actions such as care of pets and plants, which should be done by anyone who is willing to help. It is appropriate to pick up mail, newspapers, other deliveries, etc. and inform the deliverers of the person's death. Mail should be given to the personal representative as soon as possible. It may be appropriate for someone to go into the deceased's home and look for address books or telephone directories so the relatives can be contacted.

When entering the deceased's home, try not to remove items. Keep a written list of any items that you feel have to be removed. Indicate on the list where these items have been placed. This list should be turned over to the personal representative at the earliest possible time. Sometimes, it is helpful to obtain photos or videos, although that is not required. If you find important papers in your search for phone numbers and addresses, make note of what papers you found and where you found them. Do not remove any important papers, unless you are the personal representative. Make sure the residence is securely locked when you leave.

### **What to Look For**

The following are items you should locate and place in a safe location:

#### **Final Instructions of the Deceased**

Often, the deceased will leave instructions for his or her estate. These instructions tell where other documents may be located. This could be a letter (often sealed) or a more formal document.

#### **Will**

Locate a signed copy of the will. Often the will can be found among the deceased's important papers—for instance, in a safe deposit box—or with the attorney who wrote it. An unsigned copy may be used to determine the law firm that may have a signed copy. In addition, Washington law permits an original will to be filed with any court having jurisdiction. Check the local superior court clerk's website for information on the will repository.

If the personal representative named in the will is available, deliver the will to the personal representative. The will should be read immediately as it may give the deceased's preference for funeral arrangements or organ/tissue donation.

If the decedent had a list of tangible personal property (directing disposition of personal effects to individuals), that list may have been placed with the will or elsewhere in the home. This list should be located and given to the personal representative.

### **Trust Documents**

These may be trust instruments in which the deceased is either named as a beneficiary or a trustee.

### **Insurance Policies**

Life, health, medical, property and casualty insurance policies should be identified and given to the personal representative. More information will be further discussed in the article regarding life insurance benefits.

### **Deeds and Titles**

Property deeds, mortgage documents and other loan agreements, vehicle registration and title, stock and bond certificates, membership certificates, property appraisals and property tax statements.

### **Personal Documents**

Social security card or social security number, birth certificates of all family members, marriage license, prenuptial and other marital property agreements, military discharge papers, divorce papers, citizenship papers, adoption papers for children.

Occasionally some of this information is recorded in the family religious books.

### **Financial Documents**

Business financial statements and business agreements, bank account numbers and bank certificates, canceled check and bank card statements, income tax returns (up to six years), and gift tax returns (all years). Check the deceased's electronic records or phone to identify available accounts and other assets.

### **Unpaid bills**

When looking through personal papers and records, be very careful not to destroy or lose papers that may seem unimportant initially. Often, seemingly unimportant information may be used to find other very important information. For example, health insurance company notices of payments may help you identify an unpaid health care provider who should receive notice to file a creditor claim.

### **Who to Contact**

The following are people to contact so you can start to work on the financial affairs of the deceased. Some may be contacted by friends or family (F/F) while others should only be contacted by the personal representative (PR).

The attorney who wrote the deceased's will or represented the deceased, or an attorney experienced in probating estates. (F/F) (PR)

Any person holding the deceased's power of attorney. (F/F) (PR)

The deceased's tax preparer or certified public accountant. (PR)

The trustee of any trust in which the deceased was a beneficiary. This should include pension, IRA, or other retirement plan trustees. (PR)

The deceased's bank. Ask about accounts you are aware of as well as additional accounts and certificates that you may not be aware of, including joint accounts and safe deposit boxes. Also inquire with the bank if any accounts,

including mortgages, carried life insurance to pay off balances. (PR)

The successor trustee or co-trustee of any trusts of which the deceased was a trustee. (PR)

The personnel department of the deceased's employer. Remember to inquire about sick leave pay, vacation pay, and other wages, as well as any death benefits from life insurance or retirement plans. (F/F) (PR)

The Social Security office should be contacted ([www.ssa.gov/Seattle](http://www.ssa.gov/Seattle), 1-800-772-1213). When speaking with the Social Security Administration, have the deceased's Social Security number, as well as those of any spouse or dependents of the deceased. You may need birth certificates, marriage licenses, self-employment tax returns (if appropriate), and a recent Form W-2. (F/F)

Contact any known insurance agents, including life, medical, disability, automobile, homeowners, etc., used by the deceased. Request claim forms for any benefits that are due. Request termination of coverages that are no longer needed and return of any unearned premiums (F/F) (PR)

If the deceased was a veteran, contact the Veterans Administration. (F/F) (PR)

WA Dept. Veterans Administration  
1102 Quince St. SE  
P.O. Box 41150  
Olympia, WA 98504  
Telephone: 1-800-562-2308  
Email: [www.dva.wa.gov](http://www.dva.wa.gov)

Contact all credit card companies. Those cards issued in the deceased's name alone should be canceled immediately. Any cards issued in joint names may be usable, however, the company will probably wish to discontinue the account and reissue new cards. Remember to ask whether there was credit card insurance, which may pay the outstanding balance or perhaps may have an additional life insurance benefit. (PR)

If the deceased worked with any stockbrokers or financial advisors/planners, contact them. Request information on stock, bond, and mutual fund account balances. Also inquire in whose name these accounts appear and ask about

life insurance death benefits associated with these accounts.  
(PR)

Contact the state department of motor vehicles to ask for forms needed to change vehicle titles. (PR)  
[www.dol.wa.gov, 360-902-3770]

Contact any clubs or business organizations in which the deceased was a member and request refund of prepaid dues.  
(F/F) (PR)

Contact any magazine, book, cable, internet provider, phone company, or other organization to which the deceased subscribed to cancel subscriptions and accounts.  
(F/F) (PR)

Determine whether the decedent received only electronic statements for any accounts. You may be able to identify these by reviewing the decedent's income tax returns, financial statements, or accessing a list of passwords or accounts maintained by the decedent. (PR)

It is common for things to be overlooked or forgotten. Make a list of who was contacted, when they were contacted and what was discussed.

**Bills to Pay and Bills not to Pay.** After the deceased's death, all unpaid bills should be collected and given to the personal representative, if one is appointed. Debts of the estate should be paid by the personal representative from an account set up for the estate and not out of a personal checking account. If the decedent used automatic payment or paid bills electronically, these billings should be identified. Depending upon the billing, the account should be closed or the billing directed to the estate account.

Mortgages and other loan agreements that are signed by the deceased and his or her spouse are joint debts. Property taxes, household expenses, and credit cards authorized by both spouses are joint debts. Legal and accounting fees from work related to the estate, funeral expenses, doctor, and hospital bills are examples of bills of the deceased. The attorney for the estate should be able to help identify which bills belong to whom and to make sure that the proper creditor claim procedures are used.

If there will be no personal representative, the surviving spouse can pay the bills as soon as funds are available.

Well-meaning friends and relatives should not pay the bills or funeral expenses unless they have obtained assurances that they will be reimbursed. In all cases, review past check registers to be sure the bill has not already been paid.

If in doubt, you will encounter few problems by waiting 60 days while the affairs are getting organized before paying major bills. Certain bills should be paid regularly until the estate is settled: utilities, phone, insurance on home and cars, etc., residential fees, mortgages. Rented medical equipment should be returned for refunds.

Checks, cash, or other payments meant for the deceased should be turned over to the personal representative. The personal representative should deposit these in an account set up in the estate's name.

### **Digital or Electronic Access to Information**

Check to see if the deceased maintained a list of user names or passwords for his or her computer, tablet, accounts available on-line, or smartphone. While the user agreements of the providers may address access by a personal representative or heir, states are now beginning to enact legislation governing and permitting access to a deceased person's digital assets and electronic information. The deceased not only may have on-line financial information, but also may have electronically stored valuable personal information such as photographs or recordings.

**Scams and Con Artists.** Be very careful that bills you pay are legitimate. At the time of a person's death, con artists may appear who may bill you for things that were never ordered. Or they may overbill you for things that were ordered. They may pose as city inspectors or other officials requiring you to make expensive repairs to the property. Ask for signed purchase orders. Ask for identification. Check identification through sources other than those provided by the suspected con artist. Do not provide social security numbers, account numbers, or any of the deceased's personal identifying information. If you are not sure the person is legitimate, ask them to submit a bill or request in writing to your attorney. Do not allow yourself to get rushed into paying a bill. Take your time to scrutinize all creditors' claims.



**NOTES:**

---

---

---

---

---

---

---

---

---

---

---

## **Legal Matters: How Property Passes At Death**

### **Introduction**

When someone dies, whatever he or she owned passes to new owners. This section provides a general overview of how property passes in Washington State; the information may vary from state to state. Sometimes a will passes the property; sometimes other arrangements have been made, such as joint bank accounts, life insurance beneficiary designations, joint tenancy with right of survivorship property, community property agreements, living trusts, and the like. There are formal legal procedures for settling someone's affairs — often referred to as “probate” — and informal procedures that usually involve filling out forms for financial institutions. The following should help you to decide which procedures are right for you.

### **If There is a Will**

The traditional way people transfer legal ownership to their property at death is by a written document called a will. As mentioned above, when someone dies one of the first steps in settling his or her affairs should be locating the will.

Wills nominate the decedent's personal representative, who must be confirmed by the court in a probate proceeding. After the personal representative accepts appointment, he or she is responsible for transferring, as directed in the will, the legal ownership of property owned by the decedent in his or her individual name. Generally, if property is held in the name of the deceased, and there is no alternative arrangement such as a joint tenancy with right of survivorship or beneficiary designation, that property passes under a will. These are called “probate assets.” Some types of property pass automatically at death outside the will. These are called “non-probate assets.” They are listed later in the booklet.

Under Washington law, anyone locating a will has a duty to deliver it to the personal representative named in the will within 30 days of the date of death. If the named personal representative cannot be located within 30 days, the will must be delivered to the clerk of the Superior Court in the county where the person died. Upon receiving the will, the personal representative is required to file it with the court within 40 days after learning of the death, even if no probate proceeding is commenced. Even if a probate proceeding is not commenced, the will must be filed with the Superior Court.

## **If There is No Will**

If a person leaves no will, his or her property passes by intestacy, according to Washington law, to a specific list of relatives, who may include a spouse, children, grandchildren, siblings, parents, and persons descended from the decedent's great-grandparents. These individuals are known as the person's intestate heirs.

In the absence of a will, surviving spouses receive all community property and a substantial amount of the separate property. The rest of the property is divided among descendants (children, grandchildren or great-grandchildren) or, if there are no descendants, it is distributed to parents, brothers and sisters, their descendants, and so forth.

Ultimately, in the event there are no surviving intestate heirs, the property passes to the State of Washington.

## **Small Estates**

If the deceased leaves less than \$100,000 in assets and no Washington real estate, it is often possible to pass legal ownership by using a simple affidavit procedure rather than having a will approved by a court or having a court identify the person's heirs. When the deceased leaves only personal possessions and a small amount of property, family members often divide that property informally without even using an affidavit. Contact your attorney or community legal service for assistance or visit [washingtonlawhelp.org](http://washingtonlawhelp.org) and search "Affidavit Procedure for Small Estates"

## **Probate**

Larger estates normally require court procedures to transfer legal ownership. Unless there are complications involving the estate, this may involve only a little supervision by the judge or court commissioner, but there are at least five steps involved in this process called probate.

1. The court is notified of the person's death. If there is a will, it is delivered to the court and it will be determined if it is in fact the Last Will and Testament. If no will can be found, the court will determine who the heirs are and what their share will be, all according to state law. If a will is found but someone objects to any part of it, they have four months to file an official complaint, called a "Will Contest," with the court. The court will schedule a

time to consider the complaints and order changes if it agrees with the complaining party.

2. The court will appoint someone to be the legal representative of the estate with all the authority to sign for the deceased and deal with the deceased's property. There are various titles given to this person of authority, such as executor, executrix, administrator, etc. They are all similar in that they are the only ones with authority to act for the deceased. A general term for this person is the "Personal Representative."

The personal representative must, within 20 days, notify everyone named in the will, every legal heir, every other person with a financial interest in the estate, and must tell them a court proceeding has begun.

3. A Notice to Creditors is then published in a local newspaper, and must be delivered to any known creditors. Creditors may include credit card issuers, mortgage lenders, medical care providers, and even the Department of Social and Health Services if the deceased was receiving Medicaid benefits. The personal representative is obligated to make a reasonable search for creditors of the deceased.

Generally, if a creditor fails to file a written claim for payment within four months of the publication of this notice, the claim is barred forever. If a claim is filed but rejected, the creditor may file a lawsuit against the estate.

4. Within 90 days of being appointed, the personal representative must prepare a list of all of the estate's property, sometimes referred to as an inventory. Or, if it includes property values, it is referred to as an inventory and appraisal. If requested by persons interested in the estate, usually beneficiaries or creditors, the personal representative is obligated to provide a copy of the inventory and appraisal to such persons. In most instances, the inventory or an inventory and appraisal need not be filed with the court.

In settling the deceased's affairs, the personal representative must keep separate financial records for the estate. Estate property and funds should not be mixed in with the personal representative's own property and funds.

There are special accounting rules that apply to estates; any personal representative with questions should get the help of an experienced certified public accountant. Sometimes personal representatives are required to give a full accounting report to the court. For this reason, every personal representative should keep careful and complete records.

5. Finally, after all other steps have been taken — including filing estate tax returns and paying estate taxes and income taxes — the remaining property is distributed to those entitled to receive it and the estate is closed. In most estates, the personal representative signs a declaration of completion (a brief report on the closing of the estate, and a listing of professional fees paid), which is sent to all of the beneficiaries. If a beneficiary has a question or a dispute about how the estate has been handled, court review of the personal representative's actions and fees can be requested.

Under Washington law, the personal representative can ask the court to approve any action the personal representative wants to take, such as selling real property or vehicles, or paying legal fees, or for any part of the estate settlement process where the court's review and support seems important to the personal representative. However, powers of the personal representatives are broad enough not to require supervision very often; and when they act in good faith and exercise their best judgment, court approval is not required and most estates are settled without further court involvement.

### **Non-Probate Assets**

Some types of property will not be controlled by will and pass directly to beneficiaries without the necessity of probate after the person's death. Examples of non-probate assets include assets designated payable on death (POD) or transfer on death (TOD), jointly owned assets with right of survivorship, life insurance, certain retirement benefits, and property held in a revocable living trust. See section entitled "Informal Procedures –When No Court Proceeding is Needed" for additional information on accessing these types of assets.

### **If There is Property Outside Washington**

If the deceased has left real estate or certain types of personal property located outside the State of Washington, court proceedings in other states may be required. Some states have special streamlined procedures for such “ancillary” probates. Contact your local attorney for assistance in this process.

### **Appointing a Guardian for Minor Children**

Usually the surviving parent is the guardian. If there is no surviving parent, the person named in the deceased’s will is usually appointed guardian by the court. A close friend or relative may be appointed if no guardian is designated in the will.

As mentioned above, if the deceased left children under age 18, it may be necessary to appoint a legal guardian, at least to make decisions about where the children should live and go to school, about medical treatment, and about their religious upbringing.

### **Minor or Incapacitated Beneficiaries**

If property of the deceased has been bequeathed to a minor or to any other incapacitated person, and the deceased has not provided for a trust or other management arrangement in the will itself, it may be necessary for the personal representative to have a legal guardian appointed for the beneficiary.

Washington law permits use of a less formal “statutory” trust called Uniform Transfers to Minors Act custodianship for property passing to minors. This arrangement is particularly appropriate when a small gift or inheritance to a minor is involved. In general, these protective arrangements end on a minor’s 18th birthday.

### **If There Was a Guardianship**

If the deceased was incapacitated before death and a guardian had been appointed, the guardian must end that guardianship with a formal report to the court. If the deceased did not leave a will, there is a special streamlined procedure available to distribute the property directly from the guardianship to the heirs, without a separate probate proceeding.

## **If the Deceased Was a Beneficiary or Trustee of a Trust**

Sometimes the person who dies was a beneficiary of a trust, or was acting as trustee — often of a trust created by the will of a deceased spouse or other relative. If so, an attorney should be consulted.

If the person was a trust beneficiary, the trustee should be notified of the death so that any income or other payments from the trust can be stopped.

Sometimes a trust gives the beneficiary a power to name the next beneficiary, or the power to give directions about the continued administration of the trust after death. These powers are referred to as powers of appointment. Depending on what the trust agreement says, the powers of appointment might be “exercised” in the deceased’s will or in some other document. The trustee will need to get a copy of that will or other document.

If the deceased was a trustee, it will be necessary to identify and contact any successor trustee or co-trustee. This person or financial institution will often be named in the trust; sometimes another document signed by the deceased accomplishes this.

It might be necessary to prepare an accounting for the time during which the deceased served as trustee, and to prepare a list of assets for the successor trustee and beneficiaries. Trust assets and records should be kept separate from the deceased’s personal assets and records.

If the trust ends with the death of the trustee, the successor trustee will have to take steps to wrap up the trust administration, possibly including filing tax returns, and to distribute the trust property to the proper beneficiaries.

Under Washington law, these steps should be taken as soon as possible. Again, if any questions about handling the trust come up, they should be discussed with an attorney.

**NOTES:**

---

---

---

---

---

---

---

---

---

---

---



## **Informal Procedures – When No Court Proceeding is Needed**

As mentioned in the last chapter, there are many ways to pass ownership of property without a will and without probate. In fact the Will will not impact these arrangements. In all matters, however, complete information on all property belonging to the deceased should be collected. Here are a few of the more common Washington arrangements.

### **Community Property Agreements**

A community property agreement is a written document signed by a married couple that converts all of their property into community property, and upon the death of one of the spouses transfers legal ownership automatically to the surviving spouse. To complete the automatic transfer of ownership, the surviving spouse has to record the original community property agreement with the county recorder and obtain certified copies of the agreement and the death certificate for banks, title insurance companies, and other people who need to know about ownership of those assets.

### **Revocable Living Trusts**

The revocable living trust is an increasingly popular way to avoid probate. This document provides for both for management of property during a lifetime and for management and passing of property after death. If the deceased has signed a revocable living trust before death, most of the property will be registered in the trust's name; for instance, "John Smith, Trustee of the Smith Family Trust Dated January 1, 1990."

This method of transferring legal ownership eliminates the need for probate, and it is especially beneficial if real property is located in more than one state. If property transfers through a living trust, probate procedures such as notice to creditors may not be part of the process. If questions about the trust come up, however, court supervision is available upon request. In addition, if there is no probate proceeding, a statutory procedure exists to formally notify creditors.

It is important for a lawyer to review the will, the revocable living trust, and the property registered to the trust after death. Tax planning is often needed and the trustee may have to file tax returns, such as the federal estate tax return.

## **Joint Ownership with Right of Survivorship**

Joint tenancy is a common way to transfer legal ownership at death – that is, joint ownership of property with an automatic right of survivorship in the other joint owner or owners. Bank accounts, investments, and real estate can be transferred in this way. The surviving owner's name will be listed on the account. To demonstrate the transfer of legal ownership to the surviving owner, all the surviving owner needs to do is obtain a certified copy of the death certificate. If a surviving owner would like to show that the deceased owner no longer has an interest in real estate, the surviving owner can record an affidavit to that effect, attaching a copy of the death certificate.

For investment securities and bank accounts, the financial institution must be provided a certified copy of the death certificate to transfer the account to the surviving owner or owners. The financial institution may wish to have the surviving owner provide an affidavit, stating that the deceased lived in Washington and that any estate taxes will be paid.

## **Pay on Death and Transfer on Death for Accounts and Securities**

Bank accounts, brokerage accounts, and investment securities can be held in a similar way, under Payable on Death (POD) or Transfer on Death (TOD) registrations. The only difference between this type of ownership and joint ownership is that the person who owns the property after death has no ownership prior to death. To re-register such property, a certified copy of the death certificate and the type of affidavit described above are necessary. The specific requirements may differ between banks.

## **Life Insurance**

Life insurance is another popular non-probate asset that is discussed in detail elsewhere. The beneficiary should immediately contact the life insurance agent or the insurance company itself to obtain the necessary forms.

## **Pension and Other Tax-qualified Plan Accounts, IRA's and Annuities**

Finally, pension and profit sharing plan accounts (401(k) plan accounts, individual retirement accounts and annuities) usually pass under a beneficiary designation similar to that used for life insurance. The deceased's surviving spouse probably is

entitled to receive an annuity or other distribution of the plan, unless that spouse has given up the right to receive the distribution. Filling out the forms to receive such a qualified plan benefit, or to receive an individual retirement account or other similar account, is fairly easy. But watch out: Several complicated income tax problems can occur, depending on how benefits are paid. The beneficiary should be sure to consult a tax advisor before applying for distributions. Some requirements relate to the timing of payment and withdrawals. Be sure to review these requirements well before September 30 of the year following the decedent's death.

**NOTES:**

---

---

---

---

---

---

---

---

---

---

---

## **Life Insurance and Other Death Benefits**

Life insurance death benefits may represent a significant portion of the deceased's estate. It is important to identify what insurance policies may exist and to notify the insurance companies of the death.

### **Locating Insurance Policies and Coverage**

Locate and safeguard all life insurance policies or any other indications of life insurance policies such as premium notices. Do not discard any documents that look official, especially insurance policies that appear to have lapsed. Even if a policy owner had ceased paying premiums, a life insurance policy may have been kept in force by some arrangements stated in the policy.

Often the best and quickest way to locate life insurance policies is to check the deceased's checking accounts, credit card statements, payroll records, debt records, receipts, and correspondence. Also, if an accident was involved, check auto and homeowner insurance policies. Remember that some credit card companies and travel agencies provide accidental death coverage if their services were used for travel arrangements. Determine how travel arrangements were made and paid, and check airline ticket folders and luggage for insurance policies.

Contact friends, neighbors and relatives of the deceased for any information they may have about life insurance policies. Find out the names of life insurance agents or brokers that may have had dealings with the deceased and contact them. Ask these agents or brokers for names of other agents or brokers whom they feel may have dealt with the deceased. It is common to have more than one agent or broker. Locate the attorneys, accountants and bookkeepers who have prepared legal, accounting, or tax work and ask them if they are aware of any policies, agents or brokers with whom the deceased may have worked.

Review those policies that you have located to determine prior policies the deceased may have owned. In the back of most life insurance policies is a copy of the original application. The application normally asks for the names of companies, amounts of coverage, and when or if prior life insurances had been applied for. This may help you locate older policies and prior insurance agents.

If you suspect that the name of an insurance company may have changed, contact:

The Washington State Insurance Commissioner's Office  
Telephone: 1-800-562-6900  
Website: [www.insurance.wa.gov](http://www.insurance.wa.gov)

The Insurance Commissioner will have the new company's name and address. You also should check other states in which the deceased may have lived.

If you still feel that there is a life insurance policy or other benefits outstanding, send a stamped, self-addressed envelope and your request to:

Missing Policy Service  
American Council of Life Insurance  
101 Constitution Avenue NW, #700  
Washington, D.C. 20001-2133  
Telephone: 1-202-624-2000  
Email: [contact@acli.com](mailto:contact@acli.com)

You will receive, at no charge, a lost policy tracer form to fill out and return (phone requests will not be accepted). The Missing Policy Service then sends copies of your lost policy tracer form to about 100 of the largest life insurance companies for them to search their records for the name of the deceased. This process will take three to six months, or longer.

If the insurance company finds that the deceased has a policy in force, that insurance company will then contact you directly. The American Council on Life Insurance does not do any searching of its own, nor does it notify you of any results — good or bad. It does provide you with a very valuable service by distributing your inquiry to the companies that write about 70 percent of all life insurance policies sold.

Another important source of information is the Medical Information Bureau, which provides a service for life insurance companies. However, this firm can only provide you with the names of insurance companies to which the deceased applied for a policy, not whether a policy was actually issued. After you are provided the names of the companies, it is up to you to contact them regarding what actions they may have taken regarding an individual applicant. You should also be aware that only 10 percent to 15 percent of life insurance applications are reported to the Medical Information Bureau, and its records only go back seven years. The Bureau also has an "activity index" that lists the insurance companies that inquired about a particular individual, which is kept for the last two years.

To use the Medical Information Bureau's free service, contact:

Information Officer  
Medical Information Bureau  
50 Braintree Hill Park, Suite 400  
Braintree, MA 02184-8734  
Telephone: (781) 329-4500  
Email: [Info@mibsolutions.com](mailto:Info@mibsolutions.com)  
Website: [www.mib.com](http://www.mib.com)

To help you, the Bureau must have: (1) a detailed identification of the deceased, including full name, date of birth and place of birth, (2) a copy of the death certificate, and (3) either the personal representative's court issued Certificate of Qualification or, if there is no personal representative, a letter from an attorney stating that you are an appropriate person to handle such matters and that the deceased's estate is not subject to probate.

If the life insurance proceeds may have been paid to the State of Washington because named beneficiaries could not be located, you should contact:

The Washington State Department of Revenue  
Miscellaneous Tax/Unclaimed Property/Escheats  
P.O. Box 47477  
Olympia, WA 98504-7477  
Telephone: 1-800-435-2429  
Website: [claimyourcash.org](http://claimyourcash.org)

To date no policyholder in the State of Washington is known to have lost money due to an insolvency of an insurance company licensed to do business in the state. However, in the past few years there have been some companies deemed to be insolvent. If you have a concern regarding the solvency of a company, contact the Washington State Insurance Commissioner's office.

### **Filing a Claim**

Normally, insurance companies require two forms to establish proof of a claim: (1) a statement of claims and (2) a death certificate or attending physician's statement. A company, however, reserves the right to request further information or proof if deemed necessary.

The claimant's certificate must be completed by the person legally entitled to receive the proceeds. This person must state in what capacity he or she makes claim: named beneficiary, assignee, executor, administrator, guardian or trustee.

If the beneficiary is incompetent or is a minor, a guardian should file the form. If proceeds are to be paid to an estate, an administrator or executor should complete the form. In each case, a certificate of appointment must be furnished.

If the named beneficiary is deceased, his or her death certificate must be provided as additional proof.

### **Social Security**

The deceased is considered to be covered by Social Security if he or she paid in to Social Security for at least 40 quarters. Check with your local Social Security office [www.ssa.gov/Seattle](http://www.ssa.gov/Seattle) or call 1-800-772-1213 to determine if the deceased was eligible. If the deceased was eligible, there are two types of possible benefits.

A lump-sum death benefit of \$255 (in 2014) is provided 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 are subject to change and can be verified on the Social Security website. As of 2014, they are as follows:

- If the spouse is age 60 or older, he or she will be eligible for benefits. The amount of the benefit received prior to full retirement age (between 65 and 67) will be less than the benefit due at or after full retirement age.
- 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 age 18 or who are disabled may also be entitled to benefits.



When applying for Social Security benefits, you should have birth and death certificates of the deceased, marriage certificate, birth certificates of any dependent children, Social Security numbers, and copies of the deceased's most recent federal income tax return.

Please remember that Social Security benefits are not automatic; they must be applied for. Delay in applying can cause loss of some benefits because back payments cannot be made for periods exceeding 12 months.

### **Military and Veteran's Benefits**

If the deceased was a military member who died on active duty, a tax-free death gratuity of \$12,242 (in 2014) is available. It is \$100,000 (in 2014) if death is from combat or hazardous duty to help survivors cover living expenses. Additional assistance is available to cover the costs of burial.

If the deceased was a veteran the survivor may be eligible to receive a lump-sum payment of \$700 (in 2014) for burial expenses and an allowance of \$700 (in 2014) toward a plot in a private cemetery (burial in a national cemetery is free to a veteran, his or her spouse, and dependent children). Veterans are also eligible to receive a headstone or grave marker at no charge. The funeral director often can help you apply for these benefits, or you can contact the regional Department of Veterans' Affairs (VA) office. The regional office is located at 915 Second Avenue, Room 1050, Seattle, WA 98174 and can be contacted at 1 (800) 827-1000.

The surviving spouse and dependent children of veterans receiving disability benefits may also be entitled to monthly payments. Check with your regional VA office.

Jackson Federal Building  
915 2nd Avenue  
Seattle, WA 98174  
Telephone: (800) 827-1000  
<http://www.benefits.va.gov/seattle/>

### **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. Check for credit union accounts through the deceased's employer. Self-employed persons can also have pension plans. Look for pension deposit deductions on past income tax returns.

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

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.

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

**NOTES:**

---

---

---

---

---

---

---

---

---

---

---

## **Taxes**

### **Income Taxes**

Individual income tax returns may still need to be filed even for someone who has died. Federal and state income taxes, if any, are due on the income received by the deceased from the beginning of the year until the date of death. This income is reported on a federal income tax return, Form 1040. Any tax due on such income is a liability of the estate and is due the April 15 following the year of death. If you are a surviving spouse, you can file a joint return with the deceased spouse even if he or she lived only one day of the year, as long as you have not remarried during the year.

If the deceased had been making quarterly estimated tax payments prior to death, future estimated tax payments are not required. The surviving spouse, however, is not relieved of making the future quarterly estimated tax payments on his or her income.

After death, a federal fiduciary income tax return, Form 1041, may have to be filed for each year the estate is open. This return reports the income received during the estate's taxable year on probate assets. The estate is entitled to deductions against the income for administrative expenses not deducted on the estate tax return, Form 706 (see below). The estate may have a year end different from a calendar year. An estate does not need to make quarterly estimated income tax payments for its first two years.

If the deceased was entitled to income but had not received it prior to death, it is called "income in respect of a decedent (IRD)." This includes items such as the interest income portion of annuities, retirement plan distributions, and interest accrued on bonds. The persons inheriting that property (which may be you) should include the income on their personal income tax return in the year they receive the property and pay income tax on that income amount. However, they may be able to take an itemized deduction for any federal estate tax (see below) paid on that income.

### **Federal Estate Tax**

The federal government assesses a tax based on the value of the deceased's estate. For tax purposes, the estate includes any property in which the deceased had an interest at death, including IRD items. The proceeds of a life insurance policy are also

included in the estate, unless ownership of the policy was transferred more than three years prior to death or was owned by someone other than the deceased. For inclusion in the taxable estate, it makes no difference if the property passes by will, without a will (intestacy), by revocable living trust, by community property agreement, or by joint tenancy or other non-probate transfer.

In most cases, a federal estate tax return will have to be filed only if the total value of the deceased's estate exceeds \$5,340,000 for deaths in 2014 (the federal estate tax exemption). The federal estate tax exemption amount is currently scheduled to be adjusted annually for inflation. A tax return may be required and tax may be due in certain other instances, such as if substantial gifts of property were made prior to death. In determining the amount of the estate for purposes of federal estate tax, only one-half of the community property is taxable for married couples, while all of the deceased's separate property is taxable. For example, no return is required and no tax is due, in most cases, if there is no separate property and the total community property is valued under \$10,680,000. This is because one-half of the value of the community property does not exceed the exempt amount of \$5,340,000 and there is no separate property. If federal estate tax is due, it must be paid within nine months of the date of death. The filing of the estate tax return, but not the payment, can be extended six months from the nine-month filing date.

Deductions are taken against the value of the property for liabilities, such as mortgages, and for expenses, such as administration, funeral, attorneys, and accountants.

The estate tax rates on the part of the estate subject to tax (in excess of \$5,340,000 after deductions) is 40 percent. If all the deceased's property is left to the surviving spouse, no estate tax may be due because property passing to the surviving spouse may pass estate-tax free (but only if the surviving spouse is a U.S. citizen). See the Estate Planning Council of Seattle's book "Estate Planning" ([epcseattle.org](http://epcseattle.org)) for more detailed information concerning estate taxes and planning ideas.

Even if no taxes are payable, most assets owned by the deceased get a new income tax cost basis for capital gains tax purposes, which is usually fair market value on the date of death. This can reduce, or even eliminate, capital gains on assets sold after death.

## **Washington State Estate Tax**

Washington also levies an estate tax based on the value of the deceased's estate for all estates in excess of the Washington estate tax exemption. Washington State's estate tax exemption amount is \$2,012,000 in 2014 and is to be adjusted annually for inflation. Any amount beyond the Washington estate tax exemption amount will be subject to tax on a sliding scale from 10 percent to 20 percent. The valuation of a Washington taxable estate is generally determined using the values for the federal taxable estate with limited exceptions. If the value of a person's Washington taxable estate exceeds \$2,012,000, a Washington estate tax return must be filed, even though the estate may not be subjected to tax.

The Washington estate tax applies to the estates of Washington residents, and to non-residents with property located in Washington. The state tax is due at the same time as the federal tax, generally within nine months of the date of death. If a federal tax return is filed, a deduction is available for state estate taxes paid.

## **Other States' Taxes**

The deceased may have owned property located in other states or countries (such as a vacation home in Palm Springs, Calif.). Other states or countries may have estate or inheritance taxes, so you may face filing requirements and taxes due for those states or countries. Contact the estate's attorney or accountant for assistance.

## **Property Taxes**

Property taxes are due at the same time and in the same manner as if the deceased were still alive. After the transfer of property, the taxes are then paid by the person who receives the property, and the deceased's estate has no further obligation.

**NOTES:**

---

---

---

---

---

---

---

---

---

---

---

## Where To Get Help

During this difficult time in dealing with the death of a loved one, you may need to look for outside help to handle the affairs of the deceased. Summarized below are several sources that may help you.

For assistance in locating an attorney or Certified Public Accountant, visit the Estate Planning Council of Seattle's website at [www.epcseattle.org](http://www.epcseattle.org). In addition, the respective professional associations have lists of professionals:

Washington State Bar Association 1325 4 <sup>th</sup> Avenue, #600 Seattle, WA 98101 General Office: (206) 443-9722 Website: <a href="http://www.wsba.org">www.wsba.org</a>	Washington Society of Certified Public Accountants 902 – 140 <sup>th</sup> Avenue N.E. Bellevue, WA 98005-3480 General Office: (425) 644-4800 Website: <a href="http://www.wscpa.org">www.wscpa.org</a>
---	---

For persons not able to afford a private attorney, [www.washingtonlawhelp.org](http://www.washingtonlawhelp.org) has links to helpful written legal information and self-help packets. If you would like to find a pro bono or low-cost attorney, you can contact Washington's CLEAR line at 2-1-1 in King County or at (888) 201-1014 outside of King County. CLEAR is Washington's centralized intake, advice, and referral service for low-income people seeking free legal assistance for non-criminal matters.

To locate a Certified Life Underwriter (CLU or ChFC) concerning life insurance matters, contact:

Society of Financial Service Professionals Seattle Chapter  
P.O. Box 99266  
Seattle, WA 98139  
Telephone: (206) 285-4066  
Website: [www.sfsp.net/seattle](http://www.sfsp.net/seattle)

For assistance locating a funeral director, search online or contact:

Washington State Funeral Directors Association  
1535 SW Dash Point Road  
Federal Way, WA 98023  
Telephone: (253) 941-3370  
Website: [www.wsfda.org](http://www.wsfda.org)



To locate a life insurance company for a life insurance policy that you feel exists, contact:

Washington State Office of the Insurance Commissioner  
P.O. Box 40255  
Olympia, WA 98504-0255  
Telephone: (360) 725-7171  
Website: [www.insurance.wa.gov](http://www.insurance.wa.gov)

or visit the Medical Information Bureau's website to locate any life insurance companies to which the deceased applied for a policy (the service will not find employer-sponsored group life insurance policies):

Medical Information Bureau  
Policy Locator Service  
Telephone:  
E-mail: [info@mibsolutions.com](mailto:info@mibsolutions.com)  
Website: [www.policylocator.com](http://www.policylocator.com)

Other groups or organizations that can provide assistance include:

American Association of Retired Persons (AARP)	<i>Local office:</i>
601 E Street, N.W.	9750 3rd Ave. NE, Suite 400
Washington, D.C. 20049	Seattle, WA 98115
Telephone: (888) 687-2277	Telephone: (866) 227-7457
Website: <a href="http://www.aarp.org">www.aarp.org</a>	E-mail: <a href="mailto:aarpa@aarp.org">aarpa@aarp.org</a>

The City of Seattle and other cities and counties offer a broad range of services through their Departments of Human Services (in their Aging Division or Family Services Division) including counseling services and other information services.

Copies of Death Certificates may be ordered for most locations in Washington online at [www.vitalcheck.com](http://www.vitalcheck.com) or you may visit the website of your local county health department. Contact information for selected county health departments is included below.

King County Public Health Department  
Vital Statistics/Birth/Death Records  
908 Jefferson St.  
Second Floor  
Seattle, WA 98104  
Telephone: (206) 897-4551

Snohomish Health District  
Vital Statistics/Birth/Death Records  
3020 Rucker Ave., Suite 102  
Everett, WA 98201  
Telephone: (425) 339-5280 (Everett number)

To contact the Social Security Administration, you can go to the local office (visit [www.ssa.gov](http://www.ssa.gov) to use the office locator tool) or call (800) 772-1213.

To contact the Veterans Administration, you can go to the local office (visit [www.va.gov/directory/](http://www.va.gov/directory/)) or call (800) 827-1000 for the regional office.

To make organ or body donations, you can obtain information from the following sources:

Life Center Northwest  
11245 SE 6<sup>th</sup> Street, Suite 100  
Bellevue, WA 98004  
Public Info: (877) 275-5269  
Direct: (425) 201-6563  
Fax: (425) 460-9651  
Website: [www.lcnw.org](http://www.lcnw.org)

Donate Life America  
Website: [www.donatelife.net](http://www.donatelife.net)

Only medical schools can accept entire body donations. For information, contact the Department of Biological Structure's Willed Body Program at the University of Washington School of Medicine, (206) 543-1860, [wbp.biostr.washington.edu](http://wbp.biostr.washington.edu).

To change the title of any vehicles owned by the deceased, contact your local Department of Licensing agency (locate using [www.dol.wa.gov](http://www.dol.wa.gov)).

If death occurred on the job, contact the Washington State Department of Labor and Industries:

Washington State Department of Labor & Industries  
7273 Linderson Way SW  
Tumwater, WA 98501  
Telephone: (360) 902-5800  
Website: [www.lni.wa.gov](http://www.lni.wa.gov)

The Washington State Attorney General's Office may provide assistance with some of the many questions surrounding your dealings with the deceased's estate:

Washington State Attorney General's Office  
800 5<sup>th</sup> Ave., Suite 2000  
Seattle, WA 98104  
Telephone: (800) 551-4636  
Website: [www.atg.wa.gov](http://www.atg.wa.gov)

The Better Business Bureau ([www.bbb.org](http://www.bbb.org)) may also offer you assistance in locating a funeral home, addressing life insurance matters, and other matters that relate to the deceased's estate.

For assistance in placing the deceased's pet in a new home, contact:

PAWS Animal Shelter  
15305 44th Way  
Lynnwood, WA 98087  
Telephone: (425) 787-2500  
Website: [www.paws.org](http://www.paws.org)

Seattle Humane Society  
13212 S.E. Eastgate Way  
Bellevue, WA  
Telephone: (425) 641-0080  
Website: [www.seattlehumane.org](http://www.seattlehumane.org)

or if a purebred dog:

Seattle Purebred Dog Rescue  
P.O. Box 3523  
Redmond, WA 98073  
Telephone: (206) 654-1117  
Website: [www.spdrdogs.org](http://www.spdrdogs.org)

**NOTES:**

---

---

---

---

---

---

---

---

---

---

---

## Glossary

You may see or hear the following terms used in connection with a deceased person's estate.

<b>Administrator</b>	A person appointed by the court to manage an estate, usually appointed because the deceased died without a will (intestate) or the executor named in the will fails to serve.
<b>Annual Exclusion</b>	A present interest gift that may be given each year to any number of individuals without being subject to federal gift tax. In 2014, this amount was \$14,000. It will adjust periodically based on inflation.
<b>Annuity</b>	A contract to pay an income from a stipulated date until either the death of the annuitant(s) (the person who purchases the annuity) or a specific date in the future.
<b>Beneficiary</b>	The person to whom the proceeds of a life insurance contract or retirement plan benefit are payable following the death of the insured or the person designated to receive all or a portion of a trust or estate.
<b>Bequest</b>	A gift made under the will. It can be a particular item of the estate (specific) or one that may be satisfied out of the general assets of the estate.
<b>Cash Value</b>	The amount of cash available to the life insurance policy owner when a policy is surrendered to the insurance company. It is also may have been used as collateral when loans are made against a policy during the deceased person's lifetime.
<b>Codicil</b>	A document that amends an existing will.
<b>Community Property</b>	Property owned by a husband and wife in a community property state such as Washington. This type of property is

	considered belonging one-half to the husband and one-half to the wife.
<b>Contingent Beneficiary</b>	A secondary beneficiary who will receive any policy proceeds or portions of a trust or estate remaining unpaid upon the death of the direct beneficiary.
<b>Corpus</b>	The property transferred to a trust.
<b>Devise</b>	A transfer of real estate under a will, as distinguished from a bequest of personal property.
<b>Disclaimer</b>	Refusal of a beneficiary to accept property to which the beneficiary is entitled under a will or trust.
<b>Donee</b>	Person who receives a gift.
<b>Donor</b>	Person who makes a gift.
<b>Estate Tax</b>	A tax on the net fair market value of assets of a person who has died. Imposed by the federal government and by many states, including Washington.
<b>Executor</b>	A person named in a will to manage an estate. This person collects assets, pays debts and taxes, and distributes property under the will terms. See personal representative.
<b>Executrix</b>	Female personal representative. See personal representative.
<b>Fiduciary</b>	One occupying a position of trust. For example, an executor, administrator or trustee.
<b>Grantor</b>	A person who creates a trust; also called settlor, creator, donor, or trustor.
<b>Inheritance Tax</b>	A tax on the right of heirs to receive property from a deceased. As distinguished from an estate tax, the inheritance tax is a tax on an heir's right to receive, rather than the value

	transferred by the deceased.
<b>Insurance Trust</b>	A trust that owns life insurance. The trust may be the original applicant for the insurance, purchase existing insurance or receive policy(s) by gift from the insured.
<b>Intestate</b>	One who dies without a will or with an invalid will.
<b>Joint Tenancy</b>	Property held by two or more persons with rights of survivorship.
<b>Letters of Administration</b>	Same as Letters Testamentary except issued for estates in which the decedent did not have a will.
<b>Letters Testamentary</b>	Letters issued by the Superior Court clerk to a personal representative appointed under a will, as soon as the personal representative has been appointed and has qualified. Often required to prove the personal representative's authority to transfer assets.
<b>Living Trust</b>	A trust created during the grantor's lifetime. If the trust can be changed by the grantor, it's revocable; if not, it's irrevocable.
<b>Marital Deduction</b>	A deduction that allows up to 100 percent of a deceased spouse's estate to be passed to the surviving spouse without being subject to federal estate tax.
<b>Medical Examiner</b>	Public officer whose principal duty is to inquire as to the cause of death; often called a coroner.
<b>Personal Representative</b>	A generic term for the person who manages the estate. Can be either an administrator, executor, or an executrix.
<b>Policy Owner</b>	The individual or trustee who has the right to exercise control over a life insurance contract.



<b>Proceeds of a Policy</b>	The net amount of money payable by the company at the death of an insured or at the maturity of a policy.
<b>Probate</b>	The process of proving the validity of a will in court and executing its provisions under the guidance of the court. Also the process of identifying and notifying creditors.
<b>Residuary Estate</b>	The remaining part of a deceased's estate after payment of debts and specific bequests, legacies and devises.
<b>Tenancy In Common</b>	Property held by two or more persons without rights of survivorship.
<b>Testamentary Trust</b>	A trust created under the deceased's will. It comes into being shortly after the grantor's death.
<b>Testator</b>	A person who makes a will. This person dies testate.
<b>Trust</b>	A legal relationship among a trustor, a trustee, and one or more beneficiaries. A trustor is a person who establishes a trust by transferring legal title of specific assets to a trustee. A trustee is the legal owner of the property and must manage the trust property for the benefit of a beneficiary named in the trust agreement or trust provisions in a person's will. A trustee must follow the instructions of the trust document. A beneficiary is entitled to the benefits of the trust and is usually an individual, but can be any other legal entity (e.g., charitable institution).