

Estate planning client guide

## Choosing an executor – your guide to the estate administration process

Before selecting the executor of your estate it is important that you understand what the role entails. Although there are no special qualifications required to be an executor, having the time and willingness to undertake the role is important. It can be an onerous role that can take many months, even years to complete. You can appoint an individual or a professional trustee company, like us, to be your executor.

Your executor deals with all necessary third parties (eg government departments, courts, banks, share registries, insurance companies, lawyers, accountants etc) and beneficiaries to ensure that your estate is administered in line with your wishes as set out in your Will. Being an executor means taking on fiduciary obligations, so it's a role that carries personal liability if administration errors are made.

The flowchart below and table on page 2 outlines the tasks that are required for an executor to fulfil their fiduciary obligations.



## The estate administration process

1. Initial administration	Locate your Will
	Determine assets and liabilities
	Compile schedule of assets and liabilities
	Finalise property services
	Advertise statutory notices
	Arrange application for Probate or Letters of Administration (if no Will exists)
2. Communicate	Determine beneficiaries and advise them of their entitlements
with beneficiaries	Provide schedule of assets and liabilities
	Seek instructions on disposal of assets
	Provide regular progress reports as milestones are reached
	Supply financial accounting and tax reports
3. Collect cash assets and	Establish estate trust account
pay outstanding debts	Pay funeral expenses
	Close bank accounts, collect life insurance proceeds and redeem other cash assets
	Pay debts, fees and recover outlays
4. Sell or transfer	Real estate
remaining assets	Shares and other investments
	Other assets
5. Determine superannuation entitlements	Complete fund trustees' requirements for release of superannuation proceeds to dependants or estate
6. Make distributions	Hand over or transfer gifted items
	Pay legacies
	Distribute estate funds
	Store estate records
7. Register death on	Formally register death on all jointly owned assets
joint tenancy assets	
8. Taxation matters	Arrange for lodgement of outstanding tax returns for the deceased and finalise dealings with ATO
	Obtain a tax file number for the estate, prepare and lodge trust returns
	Provide beneficiaries with details of income to be disclosed in personal returns
	Determine cost bases and acquisition dates for assets subject to CGT
	<ul> <li>Provide cost base schedules to beneficiaries for future reference</li> </ul>

## Would you like further information?

## For further information please contact your AET estate planning specialist on 1800 882 218.

Australian Executor Trustees Limited | ABN 84 007 869 794 | AFSL No 240023 | www.aetlimited.com.au | Part of the IOOF group.

Australian Executor Trustees (AET) provides a range of professional estate planning, superannuation, trustee and investment services to clients across Australia. AET assists clients in drafting their Will, preparing an effective power of attorney and providing all the specialist professional services required in estate administration. This document provides general advice only and its recipient should seek professional advice before relying on its contents. AET believes this information to be reliable as at date of issue but excludes all liability to the extent the law allows.