O'MALLEY & BERBERICH
CPAs P.C.

A Checklist for Your Role as a Successor Trustee

A successor trustee is the person or institution that takes control of the trust assets when the original trustee dies, resigns, or becomes incapacitated. A successor trustee's primary objective is to **properly administer the trust assets according to the trust's terms and in keeping with fiduciary standards**.

Follow these instructions in the role of Successor Trustee:

1. Your responsibilities are set forth in the Declaration of Trust which appoints you. Read the trust carefully and make sure you understand your duties.

2. Locate all of the assets of the trust estate and obtain values for all of the non-cash assets.

3. Locate all of the debts of the decedent.

4. Obtain from the mortuary sufficient certified copies of the death certificate of the decedent (one for each institution holding estate funds and for each piece of real estate owned by the decedent).

5. If the net value of the estate (assets-liabilities) approaches $12.06 million (threshold for 2022) a federal estate tax return will have to be filed and an accountant should be hired to assist you. The accountant's fees can be paid from the trust.

6. Meet with the beneficiaries to see if there is agreement among them as to how the estate should be distributed.

7. If the required distribution cannot be made without converting assets of the estate to cash, see if there is agreement on what should be sold.

8. If there appears to be lack of agreement among the beneficiaries, you should hire a lawyer to assist you. The lawyer's fees will be paid by the trust.

9. If a sale of real-estate is involved, hire a reputable real-estate broker.

10. When all of the debts have been accumulated, transfer sufficient cash to a checking account in your name as trustee to pay the debts. Accounts may be transferred to you as a trustee by presenting the trust for the bank's review along with a certified copy of the death certificate.

11. If the trust earns income over a certain minimum amount (which is set by law and periodically revised) you will have to file an income tax return for the trust. An accountant or tax service can prepare the return for you.

12. After debts, taxes and other fees have been paid, make the distributions to the various beneficiaries, making sure that you get receipts.

13. Each beneficiary should also receive a copy of a statement showing what you received into the trust estate, what expenses you paid, what was left over, and who got what.

14. It is a good idea to hold back a portion of the trust for, say, one year in case expenses or debts pop up a little late.

15. Remember that if you are uncertain about what to do, by all means see a professional. Our office is available to assist at a CPA level and can refer you to other professionals as necessary.