

Estate Administration Checklist (Will)

Introduction

This guide is intended for informational purposes only and is not intended to be legal advice. If you have questions about the estate administration process, you should consult with an attorney.

What is Estate Administration?

[Estate administration](#) is a process that takes place after a person has passed away. In Pennsylvania, it involves the executor of the deceased's estate filing a petition with the Register of Wills in the county where the deceased resided. The petition is used to open up an estate in which the assets of the deceased will be managed and distributed. The executor is the person who is responsible for managing the estate, which includes paying any debts that are owed and then distributing the remaining assets to the beneficiaries in accordance with the wishes of the deceased.

If there is a will, the executor will follow the instructions that are contained within it. If there is no will, the executor will follow the laws of the state of Pennsylvania in order to determine how the estate should be distributed. Once the estate is settled, the executor must provide a final accounting to the beneficiaries and may have to file an accounting with the court. The Estate Administration process is meant to ensure that the wishes of the deceased are carried out, and that the assets of the estate are distributed according to the law.

Who is Responsible for Estate Administration in Pennsylvania?

In Pennsylvania, the individual responsible for the estate administration is referred to as the "personal representative". This individual is typically the executor of the will, and is appointed by the court during the probate process. The personal representative is responsible for numerous tasks, including asset gathering, payment of debts, filing of taxes, and distribution of assets to beneficiaries. This individual must be at least 18 years of age and a resident of Pennsylvania. If the personal representative is unable to fulfill their obligations, the court may appoint a substitute personal representative.

What Documents are Needed for Estate Administration?

The following documents are required to open an estate in Pennsylvania. The exact types of documents will depend on a few factors, such as whether or not the decedent had a will, if the original will can be located, who the living relatives are, and whether or not all parties are in agreement on who should be the personal representative.

Documents that may be required:

- Death Certificate
- Will (original)
- Petition for Grant of Letters (Letters Testamentary or Letters of Administration)

- Photo ID for the Personal Representative
- Renunciations
- Oath of Subscribing Witness
- Oath of Non-Subscribing Witness
- Fiduciary Bond
- Filing Fee

When is an Attorney Needed for Estate Administration?

Estate administration is a particularly complicated and complex area of law and while it is not impossible to handle an estate without an attorney, it is very easy to make mistakes which can cost you or the estate hundreds or even thousands of dollars. The personal representative (the executor) can be personally held responsible for any mistakes or problems that lead to a loss of inheritance or a loss in value for any assets.

The following is just a small list of reasons why a person might consider hiring an attorney for estate administration.

- [Drafting or filing a Pennsylvania Inheritance Tax Return](#) or a Federal Estate Tax Return.
- The estate is likely to exceed the “reasonable time” required for estate administration. (see our article on [time limits to probate in PA](#))
- Assistance with the sale or transfer of real estate.
- There is a charity named in the will (the Pennsylvania Attorney General’s office must be notified).
- The estate owns stocks or bonds (failing to timely sell them can lead to a loss in value and personal liability for the personal representative).
- Family members are uncooperative or combative or have hired their own lawyer to contest the will or the estate administration process.

Even if you are unsure if you need an attorney for the estate administration process, it is a good idea to schedule a consultation. Most attorneys (including our firm) offer a free consultation for individuals considering hiring an attorney to assist with estate administration. Most of the time our attorneys can save the estate enough money through efficiency and proper filing of the inheritance tax return, that our fees are more than worth the investment. It is also important to note that the estate pays for our fees and not the executor personally.

How much does and Estate Administration Attorney Cost?

Different law firms will have different billing practices but generally there are two ways that attorneys bill for estate administration:

Hourly

Hourly billing is the traditional method the lawyers have used for charging for their services. There are some strong disadvantages to hourly billing and executors should proceed with caution when hiring an attorney that bills hourly for estate administration.

1. You don’t know what your final bill is going to be. Hourly billing leaves the final charges as an unknown factor. Will it be \$5,000 or \$50,000? Even if the attorney provides and

estimate, there is no guarantee that the final amount will match that initial estimate. Typically when an attorney provides an estimate it is during an initial consultation when they have little information about the assets, the family, and the complexity of the estate.

2. You are paying for their time rather than results. When a lawyer charges hourly you will likely be paying for the time it takes for them to prepare documents, phone calls, emails, meetings, research, and many other tasks the attorneys or their staff need to complete. We have even seen attorneys bill for reading the obituary or attending a memorial service! By paying for time, there is no incentive for the attorney to work efficiently, in fact, the lawyer is incentivized to take as long and as much time as possible to increase their fee! (We are not saying that all attorneys that bill hourly do this, but that it is possible).

Flat Fee/Percentage Model

Many estate administration attorneys bill a flat fee or a percentage of the estate. In 1983 the Pennsylvania Supreme Court adopted a fee schedule created by Chester County Orphan's Court, now known as the Johnson Estate Schedule (read more about this schedule in our article here). Flat fee and percentage based billing have several advantages.

1. The client knows exactly (or has a good idea) how much they will be paying for the attorney's legal services. By charging a flat fee up front, or a percentage of the estate the client can decide whether or not the fees are reasonable for the services provided.
2. The client does not have to worry about being billed for communicating with their lawyer. Many clients will complain when they see charges for emails when they were merely asking a question about next steps or a status update. Without hourly billing the client is free to communicate with the attorney and their staff whenever necessary.
3. The attorney is now incentivized to work as efficiently as possible. With a flat fee, the attorney can't "drag things out" to make more money, in fact, the longer and more time the attorney takes, the less profit they are going to make.

In summary, flat fee and percentage based billing is the preferable method for charging and leads to better and faster results.

Probate Process Checklist

This probate checklist is just a small sample of the complete checklist used by our attorneys to complete the estate administration process. Our checklist is over 12 pages long! If you have questions or would like more information about the estate planning process, don't hesitate to reach out to our office at info@cherewkalaw.com, or call us at (717) 232-4701.

Before Opening the Estate

- | | | |
|-----------------------------------|------------------------------|--|
| <input type="checkbox"/> Complete | <input type="checkbox"/> N/A | Review Will and any related documents. |
| <input type="checkbox"/> Complete | | List Important Dates: |

/ /	Date of Death	/ /	3 Months from D.O.D. ¹
/ /	9 Months from Date of Death		

Complete Provide Notice of death to any Agents under POAs.

Petition for Grant of Letters.

- Yes No Locate Will and Codicil (if any)
- Complete N/A Oath of Subscribing Witness
- Complete N/A Oath of Non-subscribing Witness
- Complete N/A Renunciation
- Complete N/A If any family member fails or refuses to sign a renunciation, the personal representative must file a Petition for Rule to Show Cause why they should not be appointed as the personal representative.
- Complete Prepare Petition for Grant of Letters and take packet of all documents to County Courthouse, Office of the Register of Wills. Scheduled time may be required. Call ahead.

Within First Three Months

Notices | Publication | Debt Confirmation | Banking

Legal Advertising (AS SOON AFTER GRANT OF LETTERS AS POSSIBLE (PEF 3162)).

- Complete Estate Advertisement with newspaper of general circulation and county legal journal.
- Complete Apply for EIN on-line at irs.gov.
- Complete Open an estate checking account.
- Complete (Within 3 months of D.O.D.) Send Notices to Beneficiaries and file Certification of Notice with Register of Wills.
- Complete N/A Online Application to DHS for Statement of Claim
- Complete Locate and make a list of all assets, debts, and expenses.
- Complete Calculate estimated Pennsylvania Inheritance Taxes and make a pre-payment within 3 months of D.O.D.

¹ Department of Revenue counts deadlines by calendar month, not by days

- | | | |
|-----------------------------------|------------------------------|--|
| <input type="checkbox"/> Complete | <input type="checkbox"/> N/A | Secure any valuables |
| <input type="checkbox"/> Complete | <input type="checkbox"/> N/A | Coordinate with beneficiaries if they wish to take personal items. |
| <input type="checkbox"/> Complete | <input type="checkbox"/> N/A | Schedule auction or estate sale (see attached list of local vendors). |
| <input type="checkbox"/> Complete | <input type="checkbox"/> N/A | Arrange for cleanout/donation of remaining items |
| <input type="checkbox"/> Complete | <input type="checkbox"/> N/A | Locate all stocks and bonds, complete transfer paperwork, draft letter of instruction to sell shares. |
| <input type="checkbox"/> Complete | <input type="checkbox"/> N/A | Locate life insurance policies and accounts with beneficiaries, notify of death, obtain and complete claim forms as necessary. |
| <input type="checkbox"/> Complete | <input type="checkbox"/> N/A | Locate and secure all real estate (change locks), contact insurance companies to ensure coverage, list properties for sale or contact attorney to prepare deeds to transfer. |

Within 9 Months From Date of Death

Inheritance Tax Return | Inventory

- | | |
|-----------------------------------|---|
| <input type="checkbox"/> Complete | Draft and file Pennsylvania Inheritance Tax Return (PA-1500). |
| <input type="checkbox"/> Complete | Draft Inventory and file with County Register of Wills. |

Federal Estate Tax.

- | | | |
|-----------------------------------|------------------------------|---|
| <input type="checkbox"/> Complete | <input type="checkbox"/> N/A | Draft Federal Estate Tax Return (IRS Form 706) ² . |
|-----------------------------------|------------------------------|---|

Accounting and Distribution.

Informal.

- | | | |
|-----------------------------------|------------------------------|--|
| <input type="checkbox"/> Complete | <input type="checkbox"/> N/A | Prepare an final accounting and provide to all beneficiaries. |
| <input type="checkbox"/> Complete | <input type="checkbox"/> N/A | Prepare and provide a final release or family settlement agreement to all beneficiaries. |

Formal Account. (Earliest is 4 months after legal notices).

- | | | |
|-----------------------------------|------------------------------|--|
| <input type="checkbox"/> Complete | <input type="checkbox"/> N/A | Draft Formal Accounting in PA Supreme Court Model Accounting format. |
|-----------------------------------|------------------------------|--|

² Federal Estate Tax Return should be filed in all estates where the first spouse has died, to preserve their unlimited spousal exemption, and must be filed when second spouse dies or single individual dies with more than \$11.5 million in assets (doubled if spousal election previously taken).



- Complete N/A File Formal Accounting with County Orphan's Court.
- Complete N/A Attend hearing to defend accounting (if necessary)
- Complete N/A Receive Order Approving Accounting and Final Distribution

Wrapping up Estate

- Complete N/A File Final Status Report
- Complete N/A Receipt of Notice of Appraisement