



# Executor Checklist

## Tax & Estate Planning

The duties of Executor/Executrix (Liquidator in Quebec) require you to take on the responsibility of administering the estate and carrying out the last wishes of the deceased. The Last Will and Testament is the legally binding record of the wishes of the deceased regarding the distribution of his or her assets. If no will exists, then your appointment by the Court as administrator of the estate will place the same responsibilities with you. In Quebec, the heirs of the estate will appoint a liquidator if there is no will.

This checklist lays out the main duties and responsibilities you will need to consider when handling an estate.

- Locate the will and/or codicil and review to determine whether there are any special funeral directions.
- Assist in funeral arrangements if necessary.
- Talk to an estate lawyer (notary in Quebec) to obtain notarized copies of the will.
- Determine need for probate filing (this requirement varies by province so you should speak with the estate lawyer to determine the need for this tax filing). In Quebec, the holograph will and the will made in the presence of witnesses will need to be verified.
- If deceased died intestate, determine administrator and beneficiaries.
- Locate contact information for all beneficiaries.
- Review immediate financial requirements of deceased's family. The following are potential sources of funds:
  - Life insurance policies — only viable if the designated beneficiary(ies) are immediate family;
  - Employment pay — if the deceased was an employee at the time of death, there may be some type of termination pay available (only viable if payable to a family member and not estate);
  - Death benefit — there may be a death benefit through the employee's pension plan;
  - Canada Pension Plan (Regie des rentes du Quebec) — if the deceased contributed to the CPP (RRQ in Quebec), one can potentially obtain a lump-sum death benefit, while the survivor and children may be entitled to monthly payments.
- Review need to open estate bank account — this can help you keep track of money as it is received by the estate.
- Obtain copies of the death certificate (you can get more than one) from the funeral director.
- Arrange for safe custody of any valuables, such as cash, securities, jewellery and other valuables.
- Stocks and Bonds listing.
- Real estate information.
- If the deceased was a party to an agreement, such as a rental agreement, notify landlord and arrange to terminate.
- Gather information regarding the deceased's RRSPs, RRIFs, annuities, pension and any other type of retirement plan.
- Make a list of outstanding debts and liabilities.
- Notify Service Canada to arrange cancellation of Canada Pension or Old Age Security payments.
- List and cancel driving license, magazine and newspaper subscriptions, cable, club memberships, telephone, internet, etc. and arrange for refunds if available.
- Cancel health insurance coverage.
- Notify life insurance companies of the death and include an original copy of the death certificate.



# Executor Checklist *cont'd.*

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- Lock up the residence if the deceased lived alone, and arrange for security and maintenance until arrangements are made according to the will.
- If necessary, change the address with Canada Post to reroute any mail.
- Examine insurance coverage and insure estate assets (motor vehicle, house, furniture, jewellery, art, etc.) against perils and fire.
- Locate and obtain title documents for real estate, mortgages, share certificates, bonds, debentures, and Guaranteed Investment Certificates.
- Arrange to review the investment portfolio.
- Send a copy of the Will to each beneficiary.
- Organize interim management for the business of the deceased, where applicable. If you, as the personal representative, decide to run the business, you must consider matters of personal liability.
- Arrange for listing of safety deposit box, if necessary.
- Contact credit card or loan companies to get the balance owing and arrange for payment and cancellation.
- Are the tax returns of the deceased up to date? Obtain prior year tax return.

**Note:** In most provinces, including Quebec, do not take possession of estate assets before an inventory is completed by the Executor/Liquidator as this constitutes a tacit acceptance of the Estate and all its liabilities.

## Next Steps

- Regular Form T1 terminal year return** — In general, where the taxpayer died before November in a calendar year, the return must be filed by April 30 of the next calendar year. Where the death occurred in November or December, the return must be filed within six months of the date of death.
- The return for year immediately prior to terminal year** — Where the death occurred before May in the terminal year, the return for immediately prior year is due within six months of death.
- The partnership or sole proprietorship stub period return** — Subject to the same filing deadline for T1 terminal returns.
- The testamentary trust stub period return** — Subject to the same filing deadline for T1 terminal returns.
- Election to opt out of the regular spousal rollover under subsection 70(6.2) or the election regarding the spousal rollover of resource property** — These elections are made in the regular terminal return.
- The election under subsection 164(6) to carry back a loss from the estate's first taxation year to the terminal year** — The election must be made in writing by the later of the filing deadline for the terminal year and that of the estate's first taxation year.
- The election to pay the deceased's tax in yearly installments under subsection 159(5)** — The election form T2075 must be filed by the filing deadline for the T1 terminal year returns.
- The clearance certificate** — The application can be made at any time, but the certificate must be received from Revenue Canada before the personal representative distributes any of the deceased's (estate's) property to the beneficiaries.

## Summary

Your duties as Executor require you to gather in estate assets, confirm the values, protect assets, handle the taxes due by the deceased and the estate and clear the estate and distribute the assets. The services of your financial or estate advisor can help you ensure you complete your duties in an efficient and timely manner.