2023 · WHAT ISSUES SHOULD I CONSIDER IF MY SPOUSE PASSED AWAY?

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CASH FLOW ISSUES	YES	NO
Will your cash flow needs change? If so, consider developing a new income and expense plan.	☐	☐
Do you need to review your eligibility for Social Security benefits? If so, consider the following: ■ You may be eligible for survivor benefits. Reference "Am I Eligible For Social Security Benefits As A Surviving Spouse?" flowchart. ■ If you are receiving a government pension based on earnings that were never subjected to Social Security taxes, you may be subject to a Government Pension Offset.	☐	☐
Did your spouse reach their Required Beginning Date, or were they taking an RMD from an inherited IRA at the time of their death? If so, the beneficiary(ies) must satisfy any remaining RMD amount on behalf of your spouse before the end of the year.	☐	☐
Was your spouse receiving a pension? If so, payments may stop or be adjusted for survivor benefits.	☐	☐

ESTATE SETTLEMENT ISSUES	YES	NO
Did your spouse appoint you executor under their Will? If so, contact an attorney to assist with probate proceedings (if necessary).	☐	☐
Did your spouse pass away without a Will? If so, you or a family member will likely need to be appointed executor and the estate will be subject to the state's intestate rules.	☐	☐
Do you have more assets than you need to maintain your lifestyle? If so, and acceptable contingent beneficiaries have been named, you may wish to disclaim these assets to shift them to other beneficiaries. This must be done within nine months of the date of death.	☐	☐
Do any accounts or other assets require ownership to be updated? (continue on next column)	☐	☐

ESTATE SETTLEMENT ISSUES (CONTINUED)	YES	NO
Will your spouse's estate exceed their remaining federal estate and gift tax exclusion amount ($12.92 million, if no lifetime use), or will your combined estates exceed your remaining combined exclusion amounts ($25.84 million, if no lifetime use)? If so, consider the following: ■ You may have a federal estate tax liability due. ■ Remember, proceeds from a life insurance policy owned by the deceased and values of retirement accounts are included in the gross estate. ■ To maintain portability of unused exemption, you must file IRS Form 706. Normally, Form 706 is due nine months from the date of death (with a six-month extension available). However, if Form 706 is filed only to elect portability, it is due within five years of the date of death.	☐	☐
If there is an estate tax liability, was the total value of the estate on the date of death greater than the value at six months after the date of death? If so, you may elect on Form 706 to use the alternate valuation date to reduce estate taxes, valuing all assets as of six months after the date of death (unless sold within that period).	☐	☐
Could there be property and assets not yet identified? If so, consider the following: ■ Consider looking at the "points" feature on credit cards and "miles" with airlines to see if they are transferable. ■ Check for safe deposit boxes but be sure to follow probate rules before opening. ■ Search state agencies and unclaimed property sites that are run by many state treasurers.	☐	☐
Do you need to update your own estate plan?	☐	☐
Are there digital assets that should be preserved?	☐	☐

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INSURANCE ISSUES	YES	NO
Was your spouse employed at time of death? The employer/union may provide group life insurance and/or compensation related to their employment.	☐	☐
Was your spouse a veteran? If so, you may be eligible for death and burial benefits, a survivor pension, and/or other benefits.	☐	☐
Was the death accidental or work related? If so, consider the following: ▪ Some financial institutions and professional associations may offer a small lump-sum benefit. ▪ The employer/union may offer additional death benefits. ▪ You may be eligible for worker's compensation and/or death benefits. ▪ Some life insurance policies have an "accidental death" provision for higher benefits.	☐	☐
Did you and your spouse have a minor child or a child permanently disabled? If so, you and/or the child may be eligible for Social Security survivors benefits.	☐	☐
Could there be any life insurance owned by your spouse or insuring the life of your spouse that has not been identified or claimed?	☐	☐

TAX ISSUES	YES	NO
Did you and your spouse own your home? If so, you may still qualify for the $500,000 capital gains housing exclusion if the home is sold within two years of your spouse's death, and other conditions are met.	☐	☐
Did you own property jointly with your deceased spouse? If so, you may receive a step-up in basis for the assets passing from your spouse. Reference "Will I Receive A Step-Up In Basis For The Appreciated Property I Inherited?" flowchart. (continue on next column)	☐	☐

TAX ISSUES (CONTINUED)	YES	NO
Do you need to confirm that all of your spouse's prior income taxes have been paid? If so, contact the IRS and the state taxing authorities to check if any back taxes are due and make any necessary payments.	☐	☐
Did you file as Married Filing Jointly? If so, you can continue to file as MFJ in the year your spouse passed away.	☐	☐
Do you have a dependent child? If so, you may be able to use the Qualifying Widow(er) tax filing status for the two tax years following the year your spouse passed away.	☐	☐

INVESTMENT & ASSET ISSUES	YES	NO
Did your spouse have stock options, grants, or restricted stock units? If so, consider how these assets will impact your tax liability and your cash flow planning.	☐	☐
Has the change in circumstances altered your investment objectives or risk tolerance?	☐	☐
If your spouse was a business owner, does a plan need to be developed to transfer/sell the business?	☐	☐
If you or your spouse have annuities or other illiquid assets, do they need to be reviewed to understand options?	☐	☐

OTHER ISSUES	YES	NO
Do you need to reduce the threat of identity theft? If so, cancel your spouse's email accounts, social media accounts, and driver's license, and notify credit bureaus, the election board, etc.	☐	☐
Are there any state-specific issues that should be considered (including out-of-state property or estate tax liability)?	☐	☐

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