

Navigating the Loss of a Loved One



Logistics and money management are rarely top of mind when you lose someone you love. And yet, the decisions we make following someone's death may have wide-reaching consequences. While advanced planning can help, survivors often end up managing quite a lot. This checklist can help you keep things straight so you can focus your energy on more important matters.

Immediate Needs

Depending on the circumstances, some of these things may happen automatically. For instance, if the death occurs at a hospital, they likely have a process in place or a liaison to help. Regardless, make sure these things happen as soon as possible after death.

Obtain a death certificate

Ask for multiple copies. Many companies require proof of death, via a death certificate, in order to speak to next of kin. Some companies may require an original. The policy for obtaining death certificates and copies (including cost) varies by state.

Notify family and friends

While you likely want to reach out to close contacts directly, you may want to post an obituary in a local paper. The funeral home may offer to help with this step. Social media notifications are becoming increasingly common, as well.

Notify any employers

If applicable.

Review the will and trust, if they exist

There are a number of ways to handle the transfer of assets and the will often outlines how these will be handled.

Determine next steps

This may vary by state. For instance, in California, all wills go through probate unless assets are passed directly or via a trust. In many states, probate is automatic.

Contact CPA

It's unlikely you'll need to worry about taxes right away, but notifying your tax preparer of a death when it happens can help make the process smoother.

Contact the estate planning attorney

If your loved one had any trusts in place, this step may be particularly important. (You might start by reaching out to the attorney who drafted the trusts.)

Considerations

Exact next steps vary. The executor (of the will), trustee (of a trust), or judge (in probate) will likely lead the way. This guide can help you manage affairs if you're in charge... or better understand the process if you're in a supporting role.

Bank accounts

If you had joint accounts with the decedent (for instance, a spouse or parent), notify the financial institution of the death. Some accounts are set to "transfer on death," which is a similar process. While closing accounts may not seem like a priority, doing so in a timely manner can help prevent fraud.

Financial advisor

If your loved one had a financial advisor, contact them. They may be able to help you with the considerations here, as they likely have a list of accounts and policies that can help you notify the right people.

Contact your own financial advisor, too. We can guide you through any considerations regarding your own finances. This is particularly important if you are an executor, trustee, or representative, as there may be expenses and/or compensation involved. It's also important if you are a beneficiary.

Retirement accounts

Retirement accounts, such as a 401(k) or 403(b) are exempt from probate and aren't tied to a will. That means they pass directly to the beneficiary. Notify the institution that handles the retirement account; they should be able to help with next steps.

Life insurance

Life insurance policies are separate from wills and trusts. The beneficiary can usually contact the insurer to start the process.

Trusts

There are various types of trusts, and they usually have a specific process in place for what happens following a death. Often, a designated trustee handles the affairs. Because trusts are legal documents, if you are the trustee and have questions (or if you have questions about the trust that you don't want to bring to the trustee) you may want to seek counsel.

Funeral

Sometimes, the decedent leaves specific instructions for the type of funeral (including any memorial or burial) they want. Unless they pre-made arrangements, or left specific (and legally binding) instructions, however, the execution of these wishes is often left up to the survivors. A few things to consider:

Number of ceremonies

Determine whether you want to have a visitation, wake, or memorial prior to a funeral service.

Officiant

You may wish to have a religious service for your loved one. Contact the decedent's house of worship to discuss arrangements. If the decedent wasn't active in a formal religious community, and you still wish to have a religious ceremony, the funeral home may be able to help with arrangements.

Family events

Loss often comes with formal events, whether it's a funereal brunch or sitting shiva. We won't pretend to tell you what to include here, only that you should think through what events you may be expected to host or attend.

Timing

This is a personal matter and often determined by religion or circumstance. If you are flexible in terms of timing, think about travel and logistics when setting the date for formal ceremonies.

Budget.

Funerals are famously expensive and vary dramatically. If your loved one planned ahead, it's possible they made arrangements. If they didn't, the decedent's estate often pays for the funeral. (This is one reason we discussed financial accounts before we mentioned funeral arrangements.)

Planning

Consider bringing someone with you to help make the arrangements. If you're emotional, you may miss or forget details. When in doubt, ask for your options in writing so you can take time to evaluate them.

Government Affairs

Whether its taxes or Social Security, dealing with the government in relation to a death can feel daunting. You may want to hire a CPA, particularly if there's a trust involved (the trust may have its own tax requirements).

Notify Social Security

It's possible the funeral will handle this, but make sure. If not, contact your local Social Security Administration (SSA) office. When you speak to them make sure to stop any benefits checks to your loved one. If you think you might be eligible for survivor benefits, they can help with next steps. SSA notifies Medicare, so don't worry about that.

File a final tax return

The decedent must file a final tax return, which is generally handled by the surviving spouse, a relative, or a representative of the family. The IRS has helpful guidelines regarding these returns. While you don't need to provide evidence of death, you must document that you're authorized to file the return.

Notify additional government agencies

If your loved one was a veteran, for example, you should contact the Department of Veterans' Affairs.

Don't forget to...

Some of these tasks may take time. Others require you to go through some of the previous steps first. Some aren't required. Still others are less urgent. However, at some point in the months following your loved one's death, make sure you either did the following, or verified that you didn't need to.

Close or memorialize online accounts

This includes email addresses as well as social media. It's helpful if you have a list of passwords, but even if you don't, most large companies have a process in place for digital accounts.

Cancel ongoing bills and subscriptions

This includes everything from newspapers to cell phones. This process may take time, especially if you don't have list of subscriptions or bills. Canceling and/or transferring bank accounts and credit cards as appropriate should help you get a handle on this.

Forward relevant mail

Initially, make sure mail goes to the executor, representative or trustee. As time passes (and once the estate is settled) you may want to set up a different system.

Ensure pets have a permanent home

If there are no provisions in the will or obvious adopters, most areas have local organizations that can help you rehome a pet.

Cancel drivers' license and voter registration

This can help prevent fraud.

Notify credit agencies

To help prevent identity theft, send a copy of the death certificate to either Equifax, TransUnion, or Experian.

Make a list of assets

This may not be necessary under the terms of the will/estate, but it can be helpful regardless. Consider the sentimental value of items as well as their dollar value and track what happened to the assets. For instance, Corvette: Left to Alice in the will or Stamp collection: Sold, proceeds to estate.

Every life is unique and it's impossible to make a one-size-fits all, comprehensive list. Our goal is to minimize unnecessary hassle by helping you stay organized. If the process seems daunting, or if the situation is complex, you may want to bring in professional support, in the form of lawyers, CPAs, financial advisors and the like. We are available to help as needed during the process.