

ESTATE ADMINISTRATION TIMELINE

STANDARD TIMELINE*

*Timeline estimations may be extended due to any family law challenges, property settlement, litigation or unforeseen circumstances. This may delay our ability to make interim or final distributions.



STATE LEGISLATIONS SPECIFIES THE CHALLENGE PERIOD AS FOLLOWS:

VIC/ACT/SA/WA – 6 months from grant of probate

NSW – 6 months from date of death or 12 months if intention to claim notified

QLD – 6 months from date of death or 9 months if intention to claim notified

TAS – 3 months from date of probate

NT – 12 months from date of probate

WHAT WE DO

There are some important steps involved in being an executor or trustee. Duties and responsibilities associated with administration of an estate typically involve the following stages.

This list is indicative only and not exhaustive. Tasks may vary depending on the nature of the assets administered.

MONTH 1 – COMMENCEMENT

- Make the necessary arrangements for a funeral
- Arrange contact with family members, friends, business/ es and legal advisers to ascertain the details of an estate, including obtaining specific information about assets and liabilities
- Collect all necessary documents, keys and valuables
- Protect the estate, including:
 - Securing assets as required
 - Ensuring all property is insured
- Make formal contact with beneficiaries, including:
 - Confirming their identity
 - Advising beneficiaries of inheritance
 - Seeking directions as necessary

MONTH 2-3 – ASSETS & LIABILITIES ESTABLISHED

- Verify assets, including valuing assets and establishing Capital Gains Tax (CGT) records
- Confirmation of assets and liabilities, including ascertaining asset and liability details and calculation of the net value of the estate
- Provide the Probate Inventory and Statement of Assets and Liabilities to all residuary beneficiaries

MONTH 3-4 – PROBATE GRANTED

- Advertise the notice of intention to apply for a grant of representation (e.g. Probate or Letters of Administration) of the last will of the deceased
- Obtain a grant of representation from the Supreme Court
 - A grant of representation is provided to the executor or administrator for the deceased by the Supreme Court and provides the executor or administrator the authority to deal with the deceased's assets
- Re-seal of a grant of representation may be required where assets are held interstate or overseas (note: this may extend the estate administration time frames)
- Communication with beneficiaries upon receipt of probate

MONTH 4-9 – ESTATE COLLECTED

- Collect assets, including redeeming non-transferable assets such as bank accounts and preparing applicable transfers for action in the distribution stage
- Advertise for creditors, determine and confirm all liabilities of the deceased
- Obtain income tax clearance to the date of death
- Bring or defend any legal action by or against the estate if required
- Pay liabilities
- Provide monthly updates on administration progress

MONTH 9-12 – CHALLENGE PERIOD

- Wait out the Challenge period (which varies from state to state up to a maximum of 12 months from the date of probate)
 - This is a statutory period of time, in which a claim can be made on an estate for provision from the estate or for a greater provision than that specified in the Will

MONTH 10-12 – POTENTIAL INTERIM DISTRIBUTION

- Commence distributing the estate, including:
 - Handing over specific bequests
- Paying legacies
- Advising beneficiaries when entitlements will be distributed

MONTH 11-12 – TAX & FINALISATION

- Prepare final estate income tax returns and pay any outstanding tax
- Arranging the final distribution of the estate, including the transfer of remaining assets and or establishing trusts where required
- Sending final statements to beneficiaries
- Delivering correspondence confirming the estate administration has been finalised
- Providing a CGT cost base of assets to beneficiaries as required

(IF ESTABLISHING A TRUST)

- Act as trustee, including continuing administration and management of assets
- It is important to note that an executor's duties may not cease when the final distribution has been made. The executor may have to continue in the role of trustee, for example:
 - Where assets are held for children under the age of 18
 - Where income from an estate is payable to beneficiaries during their lifetime
 - Where there is a perpetual charitable trust