Making a Will and Estate Planning

(http://www.cba.org/bc/Home/main/default.aspx)

What is a will?
A will is a document in which you explain what you want done with the assets that you own solely in your own name when you die. These assets typically consist of real estate, money, investments, and personal or household belongings that you own.

A will doesn't deal with certain assets
A will generally doesn't cover assets that you jointly own with another person, for example, a joint bank account or a house owned in joint tenancy. Also, a will may not apply to assets like life insurance or RRSPs, where you have already designated a beneficiary.

A will is only one part of an overall estate plan
There are opportunities to transfer assets to beneficiaries outside of a will, without tax and other cost consequences. This is called "estate planning".

In a will, you name a person or company to be the "executor"
The executor gathers up the estate, pays your debts and divides what remains of your estate among the "beneficiaries," the people named in your will to receive a share of your estate. Choose an executor you trust and who will likely still be alive when you die. He or she may be a trusted family member or friend; it helps if he or she is also a good book keeper and communicator. If you like, you can appoint more than one executor who can act together as co-executors. You should also appoint an alternate executor if the first executor isn't able to act. If you have a complex estate or investments or need someone to take over the operation of a company, you should name a professional executor like a trust company.

If you have minor children, appoint a guardian in your will
There are two types of guardianship. The first type is a guardian to look after your children if they're younger than 19 when you die. This will avoid confusion in your extended family as to who should care for your children if both you and the other parent die before they become adults. Make sure your appointed guardian agrees to be the guardian. It's especially important to name a guardian if you're a single parent – otherwise the court might appoint someone you would not want.

The second type of guardianship is guardianship of the estate. This means that the guardian can receive funds from your executor for the benefit of your child. If you're a separated parent and the surviving parent will be looking after your child, but you want a different trusted person to be the one who decides what funds your child needs for educational or other necessary expenses, then be sure to name a guardian of the estate.

What happens if you don't make a will?
Then your estate will be divided in a certain way according to the *Estate Administration Act*, and this division may not be what you would want.

It's important to make a will properly
Although a will may seem simple, it's really a complex legal document. To make an effective will requires a good understanding of property ownership rules and the law about wills. There are rules that must be followed, no matter how simple the will, otherwise the will may not be valid. And the words used must be chosen carefully so the will is clear and unambiguous.

Your will can be changed after you die
If your will doesn't properly provide for your spouse (including a common-law spouse) or children, they can make a claim under the *Wills Variation Act*. And the BC Supreme Court has the power to change

your will to give them a share of your estate. So if you're thinking of leaving a spouse or child (even a self-sufficient adult child) out of your will, or giving them less than they might reasonably expect, be sure to consult with a lawyer about the situation.

Your estate may have to pay "probate" filing fees
Probate is the process by which the executor must apply to the BC Supreme Court to confirm that a will is legally valid. Probate filing fees are the fees that must be paid to the province to do this. These fees are as follows:

- If the estate is worth less than $25,000 – no fee.
- If the estate is worth over $25,000 – basic fee of $208.
- If the estate is worth between $25,000 and $50,000 – basic fee of $208 plus $6 per $1,000 (for a total of $358 for the first $50,000).
- If the estate is worth over $50,000 – $358 plus $14 per $1,000 of estate value over $50,000.

The Probate Registry of the court determines the estate value based on documents filed by the executor.

Taxes may also have to be paid
When a person dies, the law assumes that they sold their assets on the **date prior to their death date**, and there may be substantial capital gains on those assets. If so, the estate will have to pay tax on those gains to the Canada Revenue Agency. But if you leave your assets to a named beneficiary, tax consequences may be reduced. If you own assets that will attract capital gains tax on your death, you should speak to a lawyer or an accountant to see how you can minimize this tax.

What are some aspects of estate planning?
With estate planning, you may be able to reduce the amount of probate fees and taxes that your estate would otherwise pay. Consider, for example the following:

- **Joint Assets:** Joint assets, such as a joint bank account that two or more people own, or a house owned by two people as joint tenants, have a "right of survivorship." This means that when one person dies, the other person or persons own the asset. So if you and another person own a house as joint tenants, the surviving joint owner will get the house when you die. The house is an asset that passes outside your will. No probate fees will have to be paid by your estate regarding the house, and if the house is your principal residence, no tax will be paid by your estate.

  However, note that recent court rulings indicate that if your joint asset is not with your spouse or a minor child, but instead is with an adult child or other adult, then that joint holder owns the asset in trust for you – unless you specify otherwise. So, if you add an adult son to your bank account as a joint holder, and you want the account to belong to him when you die, you must leave a written declaration that this is your intention. Otherwise, it will be presumed that your son holds the bank account in trust for your estate, and the money will be paid out according to the terms of your will.

- **RRSPs**: A Registered Retirement Savings Plan (RRSP) is another asset that passes outside your will if you name a beneficiary in your RRSP. That beneficiary will get the money in the RRSP directly from the company holding the RRSP, and not from the estate.
- **Trusts:** Depending on the size of your estate, you might want to establish a trust, which protects against a *Wills Variation Act* claim.

You should hire a lawyer to help you
An experienced lawyer will know about the rules that apply to wills and can help with estate planning so as to save money for your beneficiaries. And you'll have the peace of mind of knowing that your will is

properly drafted and valid, and that your estate will be paid out according to your wishes.

How much does a will cost?
The cost depends on how complex your situation is. Most lawyers charge a fee that reflects the time, skill and responsibility involved. Discuss the fees with your lawyer when you call to arrange a meeting.

You can minimize the legal fees by being well prepared
It helps if you have the following information ready before you meet with your lawyer:

- A list of everyone in your immediate family with their full names and contact information, their relationship to you and the ages of all your children, including stepchildren.
- The names and addresses of any other people or organizations to whom you want to give gifts.
- A list of all your assets, such as your home, car, investments and any personal items of significant value. It's important to describe how you own any property (for example, whether you own it alone or together with someone else).
- A document that shows whose name is on the title of any real estate or house you own.
- Details of any insurance policies you own, and, specifically, who the beneficiary is.
- Details of any pensions, RRSPs or other investments, and the beneficiary of these.
- Information about the structure of any business you operate (for example, a company or partnership).
- Any separation agreements or court orders requiring you to make support payments or dealing with custody or guardianship of any minor children.
- The person or company who you want to be the executor and guardian.

It's important to update your estate plan
A well-drafted will anticipates different scenarios and plans for these (for example, what happens if an adult child or grandchild dies before you). But you should still think about changing your will whenever your financial or personal circumstances change or if there's a change in the beneficiaries. For example, if you made a will when your children were young and named your parents as guardian and executor, when your children become adults, you'll no longer need the guardian clause and you might want your children or a sibling to be executor instead. It's a good practice to review your will every three to five years to ensure that it still reflects your current wishes.

Also make sure to review your will after any change in your marital status
If you marry, your will is automatically revoked unless the will says that it was made in contemplation of your new marriage. If you divorce, the portions of your will that involve your ex-spouse may no longer be valid.

Consider registering a "wills notice"
You can file a wills notice with the Vital Statistics Agency at www.vs.gov.bc.ca/wills. A wills notice sets out who made the will and where it can be found. This is a voluntary registration and has a small one-time cost associated with it. The Vital Statistics Agency doesn't take a copy of your will; rather, you fill out a standard form of information, including information as to where your will is being kept.

Where should you keep your will?
You should store your original will in a safety deposit box at your bank so that you have a permanent, safe and fireproof location. Your original will is what your executor will need to present to the Probate Registry in future, not a copy. It's recommended that you keep other important documents in your safety deposit box too, so your executor has what he or she requires when the time comes.

Ways to Minimize Probate Fees

- Joint Assets: any jointly owned assets automatically go to the surviving partner and you don't have to pay any probate fees. On RRSPs, TFSAs and Life insurance policies naming a beneficiary has the same effect as joint ownership, it allows you to avoid paying probate fees. (there are serious considerations when dealing with joint assets such as issues related to control, creditors, capital gains and credit ratings)
- Gifts: any money that is gifted to you by someone while they are still alive is not subject to probate fees
- Trusts: trusts are not subject to probate fees but they are expensive to set up
- 98.6% rule: this rule basically states that since maximum allowable probate fees in BC are 1.4% that even after you paid probate fees, 98.6% of your assets would remain so you many not want to structure your entire estate planning around avoiding the probate fees.

Power of Attorney and Representation Agreements

Script 180 gives information only, not legal advice. If you have a legal problem or need legal advice, you should speak to a lawyer. For the name of a lawyer to consult, call Lawyer Referral at 604.687.3221 in the lower mainland or 1.800.663.1919 elsewhere in British Columbia.

This script discusses powers of attorney, enduring powers of attorney and representation agreements, starting with powers of attorney.

What is a power of attorney?
A power of attorney is a document that appoints another person, called an "attorney," to deal with your business and property and to make financial and legal decisions for you.

BC has a new *Power of Attorney Act*
A new *Power of Attorney Act* came into effect in BC on September 1, 2011. It brought in many new changes relating to "enduring powers of attorney" (discussed later in this script). Powers of attorney signed before September 1, 2011 will generally still be valid. But since the new *Power of Attorney Act* brought in many changes, it's a good idea to have a lawyer review your power(s) of attorney to ensure they are still valid and will do what you need them to do. Any powers of attorney signed on or after September 1, 2011 must follow all the new laws.

A power of attorney can be very specific
For example, you may give your daughter a power of attorney just to cash your old age security pension cheques for you. In fact, you can get power of attorney forms for cashing these cheques at your local federal Service Canada office. Your bank can also give you a form if you need a power of attorney for a specific bank account.

A power of attorney can also be very general
If you wish, you can give your attorney very wide powers to deal with all of your assets.

There are specific rules for powers of attorney dealing with real estate
The *Land Title Act* requires the attorney to do certain things and follow certain procedures, and there are certain rules that apply. For example, a power of attorney dealing with real estate is only valid for three years from the date of signing, unless otherwise specified, or unless it is an enduring power of attorney as described in the *Power of Attorney Act*, which has been filed in the Land Title registry in accordance with

the *Land Title Act*. You can get a copy of the *Land Title Act* at your local library or find it on the government's legislation website at www.bclaws.ca. Because real estate involves large amounts of money, you should consult a lawyer for real estate transactions rather than trying to do it yourself.

Who should you appoint as your attorney?
Consider carefully who to appoint as your attorney and the powers you want to give. You cannot appoint anyone who is paid to provide you with personal or health care or who works at a facility through which you receive personal or health care, unless that person is your child, parent or spouse. It's important that you trust the person's honesty and judgment. If you have no family member or friend that you can or want to appoint, you can appoint a respected professional such as your lawyer, accountant or trust company. As a power of attorney gives your attorney very broad power, it can cause you a lot of harm if misused.

Can you appoint more than one attorney?
You can appoint more than one person as your attorney, either in the same document or in different documents. If you appoint more than one attorney in the same document, the document should specify how the attorneys must act (for example, must act unanimously or by majority decision). If one or more attorney(s) is unable or unwilling to act, the remaining attorney(s) can continue to act. If you don't want the remaining attorney(s) to be able to continue to act, you should specifically state this in the document(s).

Does the person you appoint have to act as your attorney?
No. Merely granting a power of attorney to someone (and even delivering the written document to them) doesn't mean that this person has to act as your attorney if they don't want to. The attorney doesn't have to take any specific steps to say "no," or to later decline to act if they no longer wish to be the attorney.

How do you end a power of attorney?
The most effective way to terminate a power of attorney is to give your attorney a written notice saying that their power has ended, and preferably also to destroy all originals or duplicates of the document (to prevent misuse by the terminated attorney). To cancel or revoke a power of attorney dealing with land, you must file a document called a "Notice of Revocation" in the Land Title Office where the land is registered. The court can also terminate a power of attorney – this might happen if your attorney abuses their power. It's also possible to put an end-date, or include circumstances in which the power of attorney will end, in the document itself.

A power of attorney automatically ends in certain circumstances
It automatically ends when you die or if you become bankrupt. It also ends if you become mentally incompetent, unless you say that the power should continue, and then you've made an "enduring power of attorney."

What is an enduring power of attorney?
An enduring power of attorney allows your attorney to make the necessary financial and legal decisions for you if you become mentally incapable because of age, accident or illness. To make a valid enduring power of attorney, the document must specify whether the attorney can exercise authority only while you are capable or only while you are incapable (or both). The document must also state that your attorney's authority will continue even if you're no longer able to make decisions for yourself.

There are different rules for enduring powers of attorney than for non-enduring ones
For example, for enduring powers of attorney, if you appoint more than one attorney in different documents, the appointed attorneys must act together unanimously, unless the documents describe when the attorneys don't have to act unanimously or set out how a conflict between the attorneys is to be resolved.

Also, if your attorney has signed the enduring power of attorney and the attorney no longer wishes to be the attorney, the attorney must give written notice of their resignation to you and any other attorneys

named in the document. If you are mentally incapable at that time, the attorney must also give written notice of their resignation to your spouse, near relative or close friend.

How do you end an enduring power of attorney?
To terminate or change an enduring power of attorney, you must give written notice of the termination or change to your attorney(s). It's also important to give written notice of the termination to any financial institutions or other third parties where your attorney may have previously used the enduring power of attorney to act on your behalf.

Also, the *Power of Attorney Act* sets out additional circumstances under which an enduring power of attorney automatically ends, such as:

- if the attorney becomes bankrupt
- if the attorney is your spouse (either married or common-law) and your marriage or marriage-like relationship ends, unless the document specifically says that the power of attorney will continue to be in effect if your marriage or marriage-like relationship ends
- if the attorney is a corporation and the corporation is dissolved or winded up
- if the attorney is convicted of an offence described in the *Power of Attorney Act* or an offence where you were the victim

There are specific new rules for signing an enduring power of attorney
An enduring power of attorney must be signed and dated by you in front of two adult witnesses at the same time (only one witness is needed if the witness is a lawyer or notary public). Neither your appointed attorney nor the spouse, child, parent or an employee/agent of the appointed attorney can act as a witness.

Also, before an appointed attorney can start to exercise any authority granted to them under an enduring power of attorney, the appointed person must sign and date the document in front of two witnesses (only one is required if the witness is a lawyer or notary public). The attorney doesn't need to sign in front of you or any other appointed attorneys (if more than one attorney is appointed). But the same witness rules for your signing apply to the attorney's signing.

When is an enduring power of attorney useful?
An enduring power of attorney may help avoid having the court appoint a "committee" of one or more people to look after your legal and financial affairs in the event that you become mentally incompetent. A committee appointment is much more expensive than making an enduring power of attorney.

What is a committee?
A committee is a person appointed by the BC Supreme Court to make personal, medical, legal, or financial decisions for someone who is mentally incapable and cannot make those decisions. A person may be mentally incapable because of disease, accident, use of drugs, or age. Or, a person may be mentally incapable from birth.

Anyone who suffers from a mental illness or handicap, a head injury, a degenerative disease or some other kind of disability may not be able to make decisions about their personal, medical, financial, or legal affairs. They may be unconscious and unable to decide anything, including where and how to live. They may lose track of bank accounts, forget to pay bills, or be taken advantage of by dishonest people. In these cases, a committee is one possible solution. Appointing a committee is a very serious step because it takes away a person's right to decide things for themselves. It is usually a last resort when nothing else will work.

What are the duties of an attorney under an enduring power of attorney?
Before a person agrees to act as an attorney under an enduring power of attorney, the person should be aware of the duties and obligations that they will have as an attorney. All of the duties and obligations are described in the *Power of Attorney Act*. These include the duty:

- to act honestly and in good faith
- to act in your best interests, taking into account your current wishes, known beliefs and values and any directions that are set out in the document
- to not dispose of any property that the attorney knows is specifically gifted in your Will
- to keep your assets separate from the attorney's assets
- to keep proper records, including creating and maintaining a list of your property and liabilities

What decisions can be delegated with a power of attorney?
A power of attorney is used to delegate financial and most legal decisions. This is true for both a power of attorney and an enduring power of attorney. But your attorney cannot make medical or health care decisions for you, such as consenting to surgery or dental work for you. For these decisions, you need to make what's called a "representation agreement." In the event that there is a conflict between your enduring power of attorney and your representation agreement, the provisions of your enduring power of attorney will prevail.

What is a representation agreement?
The *Representation Agreement Act* allows you to appoint someone as your legal representative to handle your financial, legal, personal care and health care decisions, if you're unable to make them on your own. You cannot appoint any person who is paid to provide you with personal or health care or who is an employee of a facility through which you receive personal or health care, unless that person is your child, parent or spouse. The document is called a representation agreement and it creates a contract between you and your representative.

There are new changes to the *Representation Agreement Act*
Changes to BC's *Representation Agreement Act* came into effect on September 1, 2011. Representation agreements signed before then will generally still be valid. But any representation agreements signed on or after September 1, 2011 must follow all the new laws.

Your representative has certain duties they must follow
Before a person agrees to act as a representative, that person should review and be aware of the duties and obligations that they will have as a representative. For example, your representative must consult with you, as much as is reasonable, to determine your wishes. Some of the other duties of representatives include the duty:

- to act honestly and in good faith
- to take into account your current wishes, and if you're unable to express your wishes at that time, to take into account any wishes or instructions you may have given while you were capable of doing so
- to act within the authority granted by the representation agreement
- to keep your assets separate from the representative's assets
- to keep proper records including creating and maintaining a list of your property and liabilities

The agreement should name a monitor

Generally speaking, unless your representative is your spouse, the representation agreement must name another person as a “monitor” to help ensure that the representative lives up to their duties, or the agreement must state that a monitor isn’t required.

Are there different types of representation agreements?
There are two types:

- Section 7 limited agreement – to cover straightforward, everyday decisions
- Section 9 general agreement – to deal with complex legal, personal care and health care matters

A Section 9 agreement is needed for your representative to make such decisions as refusing life support if you become terminally ill.

There are strict rules for signing a representation agreement
Two witnesses are needed when you sign a representation agreement (unless one of the witnesses is a lawyer, in which case you only need the signature of that lawyer witness). There are also certain restrictions on who can be a witness.

Do you need a lawyer to make a representation agreement?
The law doesn’t require you to consult a lawyer to make a representation agreement. But you should actually see a lawyer if you want to make an agreement. A lawyer can help you to understand the wide range of issues that arise with a representation agreement.

Summary
A power of attorney is a document that allows you to give another person, called the attorney, the authority to act for you in financial and legal matters. The power can be as specific or as general as you wish. But unless you use an enduring power of attorney, it will automatically end if you become mentally incompetent. A representation agreement, on the other hand, can cover personal care and health care decisions, as well as certain financial and legal decisions, if you’re unable to make them on your own.

Advance Directives and Representation Agreements

How do they differ?

As of September 1, 2011, advance directives are now recognized in Part 2.1 of the Health Care (Consent) and Care Facility (Admission) Act. What are advance directives, and how do they differ from representation agreements? If an adult has both a representation agreement and an advance directive in respect of a specified medical procedure, must a physician or other health care provider consult with the adult’s representative before giving or withholding the specified procedure? What is the interaction between the two instruments?

An advance directive is “a written instruction made by a capable adult that… gives or refuses consent to health care for the adult in the event that the adult is not capable of giving the instruction at the time the health care is required….” This definition is taken from section 1 of the Health Care (Consent) and Care Facility (Admission) Act.

A representation agreement is a written agreement between an adult and one or more representatives, authorizing the representatives to make decisions or do things on behalf of the adult in relation to his or her personal care and health care. An adult may also authorize representatives to obtain legal services for the adult, “make arrangements for the temporary care and education of the adult’s minor children or other persons cared for or supported by the adult,” and handle “routine management of the adult’s

financial affairs."

Accordingly, representation agreements may be broader in scope than advance directives, authorizing decisions concerning personal care and other matters in addition to health care.

Representation agreements give effect to an adult's specific instructions and wishes indirectly, by requiring the representative to consult with the adult and comply with the adult's current wishes "if it is reasonable to do so…" unless the representation agreement provides that the representative need only comply with the adult's wishes expressed while capable. If it is not reasonable to comply with current wishes, they are not known or the duty to comply with them is excluded in the agreement, then the representative must comply with the adult's instructions or wishes expressed by the adult while capable.

In contrast, advance directives are direct expressions of the adult's instructions and wishes. They operate under the following conditions:

• the health care provider is of the opinion that the adult needs health care;

• the adult is incapable of giving or refusing consent to health care; and

• the health care provider does not know of the appointment of a representative or committee of the person of the adult.

Under those conditions, the health care provider may provide health care to which the adult had consented and must not provide health care that the adult had refused in the directive.

If the adult has made both a health care directive and a representation agreement granting the representative authority in respect of the proposed health care, which document governs? The health care provider must consult with the representative, and the advance directive is treated as an expression of the adult's wishes while capable under the Representation Agreement Act unless the representation agreement provides that a health care provider may act in accordance with the advance directive without consulting with the representative.

In summary, under this new legislation, unless a representation agreement provides that a health care provider may act in accordance with the advance directive, without consulting with the representative, then the health care provider must consult with the representative and the advance directive is treated as an expression of the adult's wishes while capable.

What Happens When You Die Without a Will?

This section discusses why you should have a will, and if you don't, who looks after your estate and how it is divided if you die without one.

Why should you make a will?
Every adult who owns assets or has a spouse or young children should have a will. Surprisingly, many people don't have one. The few hours that you spend with a lawyer planning your estate could save your spouse, children and other beneficiaries much time, effort and money. By not having a will, you lose control over who gets how much of your estate and when. You also give up the right to appoint a guardian of your choice for any young children you have. And the costs to administer your estate will be drastically increased.

How will your estate be divided if you die without a will?
If you die without a will, BC's *Estate Administration Act* dictates how your estate will be divided. It sets out the following rules:

- If you own a home, your spouse will have the right to use it for life. This is called a "life interest" and can tie up the estate for a long time. Your spouse receives the first $65,000 of your estate. Then if you have children, your spouse and children share what's left – equally if you have one child, and if you have more than one child, then one-third to the spouse and the remainder equally to your children. If you have no children, then your spouse gets everything. Children born outside of marriage are treated the same way as other children in the family. But step-children are currently excluded.
- If you don't have a spouse, or if your spouse is dead, the estate goes to your children. If any of your children died before you, leaving their own children, then their children would take equally the share of your dead child.
- If you have no children or grandchildren, then your parents (or the survivor of them) get the estate.
- If your parents are dead, then the estate goes to your siblings, but if one of them has died before you and left any children living when you died, those children receive your dead sibling's share.
- If all your siblings are dead, then your estate is divided equally among your nephews and nieces, but if there are none, then it's left to your other relatives based on a table of family connections that shows how they are related to you.

Does a "spouse" include a common-law spouse?
The definition of "spouse" in the *Estate Administration Act* includes a person who has lived with you for at least two years in a marriage-like relationship immediately before your death. It can be a common-law gay or lesbian relationship. This means that more than one person could be your "spouse" for the purpose of sharing your estate. If this happens, each spouse would share in the estate in portions that a court decides are fair.

When would the children get their share?
Without a will, the Public Guardian and Trustee becomes the trustee and holds the child's shares in trust for them until they're 19 years old. The child's parent or guardian would have to apply to the Public Guardian and Trustee for any money needed for things like living expenses or education. This can be a hardship if the child is quite young and the parent or guardian needs the money for day-to-day expenses. When the child turns 19, they can demand all of their money no matter how much it is, regardless of their maturity or financial responsibility. By contrast, if you have a will, you appoint the executor and trustee for the share going to a child under 19, and you can direct that the share be used for the child's benefit, including support and higher education, without government involvement.

Who takes control of your estate if you die without a will?
In a will, you can name an executor to manage your estate when you die. The executor is often a relative, friend or other trusted person. You can also name a guardian to look after any infant children. But if you die without a will, someone must be appointed by the court to manage your estate. This person is called an administrator. The court will also appoint a guardian if you have children under 19 and the other parent isn't alive.

Who can apply to administer and handle your estate?
Your spouse is the first person who can apply. If you have no spouse or if your spouse is unwilling or unable to be the administrator, then a relative can apply. If there are no relatives willing or able to do this, then any other eligible person could apply to be the administrator. This may include a friend of yours, or a professional such as a lawyer or accountant. The Public Guardian and Trustee – as Official Administrator for the province of BC – might also apply to administer your estate, if for example, no one else is willing to

take on the task.

Certain conditions may apply to the appointment of an administrator
If you have debts when you die, the person who applies to be the administrator must get your creditors to agree to the application. Also, the person who applies may have to get the agreement from other people who could be appointed administrator. In addition, the friend or professional may have to deposit money with the court (called a bond), as a way to ensure they do the work honestly and competently.

What does the administrator do?
The following are some of the things the administrator must do:

- Make funeral arrangements, if required.
- Locate all the estate assets and make sure that they're secure; for example, ensure that a car or building is insured, and that valuable documents are in a safe place.
- Advertise in a local newspaper for creditors.
- Sell assets that need to be sold. This includes listing and selling real estate after having it appraised; selling stocks, bonds and other securities; and valuing and disposing of other personal belongings. Sometimes, instead of being sold, assets may be given a certain value and transferred to an heir as part of their share of the estate.
- Locate all family members who may be heirs to the estate. In some cases, this involves searches throughout the world.
- File all necessary income tax returns and obtain an Income Tax Clearance from the federal tax department, confirming that all income tax has been paid.
- Put all money in an estate account and use it to pay the estate's debts, income taxes, legal and accounting expenses, and possibly an administration fee.
- Pay any money left over to the heirs.
- Finally, make a report to the relatives listing all money received, debts and expenses paid, fees charged, and details of how the estate was distributed.

Estate planning and making a will is very important
Making a will involves much more than just signing a document. It involves reviewing your potential estate and planning to minimize the costs of probating and administering your estate. As between spouses, and to some extent children, there are many legal ways to avoid paying substantial probate costs, administration costs, Public Guardian and Trustee expenses, and income taxes.