

Executor Duties

Being named an executor is an honour but it is also a demanding and time-consuming responsibility; increasingly so with today's complex estate and tax legislation. We draw on the estate and trust professionals at Scotiabank, part of the Scotiabank Group, who can assume responsibility for all or some of the administration of the estate on your behalf. Our specialists employ practical, impartial expertise and advice in the areas of tax, estate law, investment management and other key areas to ensure you fully meet your executor responsibilities, efficiently and free of risk. Following is a general guide to many of the duties that fall to an executor.

PRELIMINARY STEPS

Documentation

- Locate Will and review to determine whether there are any special funeral directions.
- Assist in making funeral arrangements, if necessary.
- Obtain funeral director's statement of death and apply for provincial death certificate.
- Ascertain whereabouts of beneficiaries.
- Ascertain assets and liabilities by writing to financial institutions, insurance companies, brokers, employers, RRSP/RRIF trustees.
- Locate and obtain title documents for real property, mortgages, share certificates, bonds, debentures and guaranteed investment certificates.
- Review adequacy of property insurance coverage and alter if necessary.
- List contents of safety deposit box.
- Obtain prior year's income tax returns. Prepare and file any T1 returns for previous years within six months of date of death.
- Consider entitlement to and apply for Canada Pension Plan Death Benefits.
- Prepare inventory of assets and liabilities. List assets by class, their value and full particulars thereof including certificate number, registration particulars, maturity date, interest rate, payment frequency and dates.

Cancellations/Changes

- If the deceased lived in a rental property, terminate lease or arrange sublet.
- Notify Social Development Canada to cancel Old Age Security cheques.
- Cancel health coverage.
- Notify dividend and bond disbursing agents to change address of record.
- Complete or cancel outstanding broker's orders.
- Cancel driver's license, magazine and newspaper subscriptions, cable television, club memberships, telephone and request refunds if appropriate.
- Confirm outstanding balances and cancel credit cards.
- Request Canada Post to reroute mail.

Banking/Financial

- Determine immediate cash requirements of family.
- Arrange for safe custody of personal valuables.

Legal

- Arrange valuations for real estate, securities, personal property and automobiles.
- Send a copy of the Will to each residuary beneficiary.
- Notify legatees/devisees of benefit to be received under the Will.
- Retain and meet with estate solicitor to complete application for probate. Make provisions for any fees that may be applicable.
- Notify charities of charitable bequests (and regulators where required).

ADMINISTRATION AND DISTRIBUTION

Banking/Financial

- Close safety deposit box.
- Prepare cheques for payment of debts legacies, interim, distributions.
- If beneficiaries approve accounts, confirm all releases received.
- Arrange for closing of any outstanding bank accounts after confirming all cheques have cleared.

Investments

- Invest surplus cash.
- Initiate re-registration and transfer of securities if not converting to cash.
- Arrange rollover or transfer of RRSP/RRIF proceeds.

Legal

- Settle all claims and debts.
- Review Will and determine scheme of distribution of assets. When probate is granted, obtain sufficient notarized copies to transfer assets.
- Ask estate solicitor to register probate on title to real estate if necessary.
- Complete declarations of transmission and powers of attorney required to transfer securities.
- Review with estate solicitor any time periods of restrictions on distribution of estate, e.g. family law or dependents relief applications.
- Prepare Accounts for passing or approval by beneficiaries. Ask estate solicitor to prepare releases.
- If accounts are to be audited by the Court, ask estate solicitor to prepare the application and all necessary notices and to arrange an appointment.

Tax

- Prepare and file Terminal T1 Tax Return and other returns with Canada Revenue Agency.
- Prepare and file necessary estate tax returns for foreign assets, if any.
- Prepare and file T3 Trust Information Return. The first T3 return must be filed within 90 days from the year-end of the taxation year, which the estate has chosen.
- Request Clearance Certificate.

Reporting

- Report to beneficiaries on progress of administration and provide each residuary beneficiary with a copy of the inventory of assets and liabilities.
- Arrange for publication of Advertisement for Creditors and Others prior to distribution.
- Consult with beneficiaries regarding specie distribution (distribution in kind) where appropriate.
- Calculate executor's compensation.
- Write to the beneficiaries with a final report on all aspects of the administration.

Distribution

- Deliver personal effects and obtain receipts.
- Deliver securities and obtain receipts, if distribution in kind.
- Deliver legacies and obtain receipts.
- If Will provides for outright distribution, transfer assets or funds to beneficiaries. Retain sufficient funds as a reserve for income taxes and any outstanding accounts.
- If Will provides for trusts, set up testamentary trusts and arrange for ongoing review of investments.
- Distribute any remaining funds or deliver assets.