

Preparing to Die Well

Lesson 14 – January 22, 2012

Opening Hymn: My Jesus I Love Thee (Blue Hymnal 547)

Hebrews 11:8-10

8 By faith Abraham, when he was called, obeyed by going out to a place which he was to receive for an inheritance; and he went out, not knowing where he was going. **9** By faith he lived as an alien in the land of promise, as in a foreign land, dwelling in tents with Isaac and Jacob, fellow heirs of the same promise; **10** for he was looking for the city which has foundations, whose architect and builder is God.

John 14:2-3

2 In My Father's house are many dwelling places; if it were not so, I would have told you; for I go to prepare a place for you. **3** If I go and prepare a place for you, I will come again and receive you to Myself, that where I am, there you may be also.

Hebrews 11:9 tells us that Abraham "...lived as an alien in the land of promise, as in a foreign land, dwelling in tents..." How does the promise of dwelling "in mansions of glory and endless delight" affect how you prepare to die?

What Needs To Be Done After a Person Dies? (Part 2)

Execute Legal Procedures

Take care of the legal affairs associated with the death.

- Order certified copies of death certificate (10 to 15)
 - In Florida, anyone may request a certificate without "cause of death"
 - To receive "cause of death", you must be an immediate family member or a person with a legal interest in a will, insurance policy or pension
 - "Cause of death" becomes public record fifty years after date of death
- Publish death notice in county's court records publication for 90 days
- Read and execute the will – this may require probating the assets in court
- File insurance and pension claims (requires death certificates)

Pay Final Bills

Finalize the deceased's regular finances. Several of these will require submitting a certified death certificate.

- Pay any outstanding regular or monthly bills
- Transfer continuing bills (e.g., mortgage) into the survivor's name
- Close or transfer checking and saving accounts
- Close or transfer brokerage accounts
- Cancel or transfer credit cards and pay off any balances
- Transfer jointly owned real property into the survivor's name

Pay off any funeral expenses that were not already prepaid.

- Casket
- Cemetery plot (*)
- Opening/closing of gravesite (*)

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- Monument/engraving (*)
- Clothing, dry cleaning or special services
- Hearse/transportation
- Obituary
- Transportation of body between funeral homes, cities and/or states

Note: (*) Veterans Administration may pay these items for military veterans

Pay off any final medical expenses that were not paid by insurance.

- Hospital or nursing home
- Laboratory fees
- Doctors or other professionals
- Ambulance
- Medications & drugs

File Final Income Taxes

File final taxes for the deceased and other taxes related to the death. Final income taxes may extend to several years depending on the complexity of the estate.

- Consider using an accountant or tax advisor
- Keep copies of bank and other account statements that show the balances on the day of death since these will be required for the estate taxes
- Here are four major steps to closing the estate (see link below):
 1. File the deceased person's final form 1040 income tax (up to the date of death)
 2. If either of the following two steps apply, obtain a federal EIN for the estate
 3. File estate's final tax form 1041 income tax if necessary (income on holdings following the date of death)
 4. File estate's estate tax return form 706 if necessary (large gifts made *before* death and/or large estate value)

More information can be found in the following link to "Closing Down the Estate":

<http://www.smartmoney.com/taxes/income/closing-down-the-estate-13279/>