



Beneficiary Guide

Beneficiary Guide



The people who benefit from a Will are called beneficiaries.

Becoming a beneficiary

We understand that becoming a beneficiary can be an overwhelming experience. We have prepared a guide to explain the process involved in administering an estate.

After reading this beneficiary guide, we hope you can better understand what's required of you and how we can help. If you still have any questions, please contact your nearest Public Trustee office or your client account manager.

THE PUBLIC TRUSTEE - WHO ARE WE?

The Public Trustee is an independent and impartial organisation established to act on behalf of the Tasmanian community. We provide a range of estate planning, estate and trustee services, which have been perfected with over 100 years of experience.

Our dedicated team of professional accountants, client account managers and legal professionals are experts in estate administration and understand the needs of the people who have lost their loved ones. We are equipped to deal with any estate issue that may arise, no matter how large or small.

We administer estates when we have been appointed as the executor in a Will. We can also act if an executor renounces their role or where someone dies without a Will and their next-of-kin appoints the Public Trustee.



WHAT IS ESTATE ADMINISTRATION?

Estate administration is the process of collecting and managing a deceased person's assets and liabilities. This will involve paying any outstanding debts and distributing the estate assets to the beneficiaries.

WHAT IS AN EXECUTOR AND TRUSTEE?

Our executor and trustee services carry out the last wishes stated in a Will.

- An executor is responsible for administering the estate.
- A trustee is responsible for paying the beneficiaries if assets are held in a trust e.g. a minor trust for young children.

Our role as trustee will continue until everyone has received their assets and the estate administration has been completed.

WHAT ARE THE MAIN STEPS?

Our role starts when we learn of a person's passing and ends when everything has been distributed to all the beneficiaries. At the Public Trustee, an estate administration generally has five main stages:

Stage 1: Initial meeting

Stage 2: Collecting information

Stage 3: Going to Court

Stage 4: Dealing with assets and liabilities

Stage 5: Distribution

Locate the Will

Make funeral arrangements

Conduct preliminary conference with family, legal and business associates

Advise beneficiaries and ascertain immediate needs of family

Protect assets

Protect business interests

Collect valuables and income

Insure all property

Keep surplus funds invested

Determine assets and debts (prepare statement of assets and liabilities)

Personal effects

Cash and securities

Real estate

Property interstate assets

Taxation details

Business interests

Debts due

Debts owing

Obtain a grant and attend to legal formalities with solicitors

Realise assets to pay liabilities including income tax to date of death

Prepare accounting and tax information for estate and beneficiaries post distribution

Distribution of estate

Establishment of trusts

Pay legacies and hand over specific bequests

Transfer cash or assets to beneficiaries

Continuing administration and asset management

Obtain receipts

Prepare final statements

STAGE 1: INITIAL MEETING

Where possible, we will arrange a meeting with all the beneficiaries of the estate. We can meet with all beneficiaries at once or individually. In this meeting we will:

- advise the beneficiaries of their entitlements under the terms of the Will;
- explain what is involved;
- develop a plan on the best way to communicate with each beneficiary (for more information please refer to our communications standards on our website);
- seek your views on the distribution of assets (although we are bound to follow the instructions in the Will);
- discuss any issues that might affect the estate.

STAGE 2: COLLECTING INFORMATION

During this stage we will collect information to confirm the estate's assets and liabilities.

We will also:

- obtain a death certificate;
- protect the estate assets;
- insure real estate and personal property;
- protect any business interests;
- confirm the nature and value of estate assets including cash, personal effects, real estate, shareholdings and other investments, business interests, debts due to the estate and any interstate or overseas property; and
- advertise for creditors.

STAGE 3: GOING TO COURT

At this stage, if it is required, we proceed to obtain the authority of the Supreme Court of Tasmania to administer the estate. If there was a valid Will this is called a Grant of Probate. Under the *Testator's Family Maintenance Act 1912*, once the Supreme Court authority is received, any person who is eligible to make a claim against the estate has 3 months to notify the Public Trustee of their intention to make a claim.

STAGE 4: DEALING WITH ASSETS AND LIABILITIES

During this 3 month claim period, we continue the estate administration process by:

- selling assets (including real estate);
- realising the estate assets that are not subject to any potential dispute;
- collecting income;
- paying any liabilities including telephone, electricity accounts and rates;
- holding funds in our cash Common Fund;
- obtaining a taxation clearance from the Australian Taxation Office; and
- preparing final financial statements and detailing all transactions in relation to the estate administration.

STAGE 5: DISTRIBUTION

Once the 3 month claim period has expired, providing there are no disputes in relation to the distribution of the estate, we will then proceed to:

- pay any cash legacies under the Will;
- arrange for specific gifts to be passed to the named beneficiaries;
- transfer assets to beneficiaries;
- distribute the proceeds to beneficiaries;
- establish any trusts in accordance with the terms of the Will or the Law (e.g. when beneficiaries are under the legal age of 18 – the youngest age at which they can receive their interest in an estate in their own right); and
- prepare final income tax returns.

HOW LONG WILL IT TAKE?

Even though the circumstances of each estate are unique, the estate administration process generally takes between 6 to 12 months (depending on the complexity of the estate). The process may take a little longer if disputes or difficulties arise e.g. the age of the beneficiary or the need to sell property. In this case, we can sometimes arrange an interim cash distribution to be made, on the proviso that all forms are completed and received.

WHAT WILL IT COST?

If you own assets (say, your house, or land) as a joint tenant 0%

If you have solely-owned assets which are classed as 'matrimonial assets' and which are transferred to your surviving spouse or defacto partner - for example the family home, motor vehicle, household effects and furniture 2.2%

On the first \$200,000 or part 4.5%

On the next \$200,000 or part 3.5%

On the next \$200,000 or part 2.5%

On amounts above \$600,000 1.5%

There is a minimum fee to administer an estate. Other charges may also apply, so please refer to the fees and charges section of our website for further information.

WHAT DO OUR FEES COVER?

Our fees cover the following steps which are involved in settling an estate:

- confirming the Will is valid;
- meeting with beneficiaries;
- certifying entitlement in the estate;
- preparing an administration plan;
- preparing applications to the court (for the grant of probate or letters of administration);
- liaising with banks to get asset details;
- arranging asset valuations and inventories;
- sorting out debts;
- managing the sale or distribution of assets;
- preparing a final statement; and
- storing estate records.

WHAT'S NOT COVERED?

- Our standard fees do not cover costs from other organisations, for example fees from banks, valuers and services related to real estate expenses are separate.
- Ongoing fees to manage assets held in trust.
- Out of pocket expenses from organisations such as the Supreme Court or Land Titles Office.

There may be further costs for additional work, for instance if there is legal advice required, overseas assets involved, the entitlement or Will is contested, or we have to search for missing beneficiaries and/or prepare family trees.

WHAT TO DO IF YOU HAVE FEEDBACK?

Initially, you should contact your client account manager and they will attempt to resolve your concerns. If you are still dissatisfied with the response from your client account manager, please refer to our website which explains our complaint process: publictrustee.tas.gov.au/contact/feedback-and-complaints/

PROTECTING YOUR PERSONAL INFORMATION

In order to administer an estate, the Public Trustee will need to collect personal information from you including your address, date of birth and bank account information. This information is required in order to enable us to carry out our duties as your executor and confirm that you are the person as stated in the Will.

The Public Trustee is governed by the *Personal Information Protection Act 2004*, the *Public Trustee Act 1930* and the *Guardianship and Administration Act 1995*.

For more information on how we collect, use and protect personal information, please refer to our privacy policy information on our website: publictrustee.tas.gov.au/about/privacypolicy/

HOW SHOULD I PLAN AHEAD FOR MY FUTURE?

As a beneficiary, you may be inheriting assets that could affect your estate. It is wise to make or update your estate plan when your life circumstances change.

If you would like to prepare a Will or an estate plan with the Public Trustee, please contact your nearest branch to make an appointment. We offer a 10% discount when preparing your estate plan to past and present beneficiaries of estates administered by the Public Trustee.

ESTATE PLANNING PREPARATION FEES (INC GST)

	Single Person	Couple
Will preparation (Appointment Includes preparing an enduring power of attorney)	\$140	\$210
Enduring power of attorney preparation (financial matters)	\$140	\$210
Enduring guardianship preparation (medical and lifestyle matters)	\$140	\$210

If the estate planning documents are complex to prepare an hourly fee of \$295 (pro rata) may apply.

A standard Will and enduring power of attorney are prepared free for Seniors and Australian Government Pensioner concession card holders when the Public Trustee is appointed as executor/attorney (card must be presented and only applies to one appointment per year).

- If you nominate Public Trustee as your executor fees will apply when we are required to administer your estate when you pass away.
- If you nominate Public Trustee as your attorney fees will apply if we are required to manage your affairs if you lose capacity or you choose for us to manage your financial affairs.
- Existing clients of the Public Trustee receive a 10% discount to prepare/revise new estate planning documents.
- Fees for couples are based on the assumption instructions are similar.
- Will (with an enduring power of attorney), Enduring power of attorney and guardianship preparation fees are based on the following standard appointment times
 - Single person – 1 hour to take instructions + 30 minutes to draft the documents + 15 minutes for the documents to be signed.
 - Couples – 1.5 hours to take instructions + 30 minutes to draft the documents + 15 minutes for the documents to be signed.
- If you need more time than a standard appointment to provide your instructions and/or for us to provide advice to complete your documents, we will discuss your options with you before additional time is charged. If required additional time has an hourly charge of \$295 billable on a pro rata basis of \$29.50 for each 6 minute unit actually undertaken to complete your documentation.
- There is an additional Government registration fee to register an enduring guardianship and or an enduring power or attorney. If the Public Trustee is asked to register these documents an administration fee is also charged.
- Time and travel fees apply for out of office attendances, such as hospital or nursing home visits. Please note this will depend upon staff availabilities and is only available in Southern Tasmania.

Fees listed are subject to change. Please refer to our website for the latest fees and charges.

PublicTrustee

Every moment counts

CALL US ON 1800 068 784

VISIT US AT www.publictrustee.tas.gov.au

Email: tpt@publictrustee.tas.gov.au

Fax: (03) 6235 5255

GPO Box 1565, Hobart, TAS 7001

YOUR NEAREST PUBLIC TRUSTEE LOCATION:

HOBART

LAUNCESTON

DEVONPORT

June 2022

PublicTrustee

Every moment counts