



# FINAL DETAILS

*A Guide for Widows and Widowers After the Death of a Spouse*

Prepared by the Illinois Masonic Home Outreach Services (IMOS) program  
As adapted from the California Masonic Outreach Services (MOS) Department

***This publication provides general information only and is not a substitute for professional legal, accounting, and financial advice. You should consult with your own lawyer, accountant, or financial planner for advice specific to your circumstances.***

The death of a spouse is a very traumatic experience. During this difficult time of grief and emotional readjustment, you may be called upon to make many important decisions that may impact your financial future. The information below outlines the basic actions you will need to take during the first few months after the death of your spouse.

### **Step 1. Collect the Necessary Papers**

A variety of documents are necessary in order to file for survivor benefits or to handle financial matters. Gathering these documents will ease the burden of providing them at a later date.

- Death certificate.** Available from your funeral director or county health department. Purchase at least a dozen certified copies of the death certificate. Most companies will want a certified copy, but use a photocopy when you can to save money.
- Marriage certificate.** If the spouse of the deceased will be applying for benefits. Copies are available at the Office of the County Clerk where the marriage license was issued.
- Birth certificate.** For the deceased and any dependent children. Available at either the state or county public records offices where the person was born.
- Social Security numbers.** For the deceased, spouse, and dependent children.
- Discharge papers.** If your spouse was a veteran, you will need a copy of the discharge certificate. If you cannot find a copy, contact National Personnel Records Center, 9700 Page Boulevard, St. Louis, MO 63132-5200. (Attention to the branch the deceased served.)
- Original will.** Locate a copy of the most recent will. It may be with the attorney who crafted the document, in the personal belongings of the deceased or even in a safe deposit box. In Illinois the original will must be filed with the Clerk of the Circuit Court within 30 days after death, regardless of whether probate proceedings are necessary.
- List of property.** As a practical matter, assembling the last account statement for bank accounts, mutual funds, and brokerage accounts is a good idea. Such statements provide account numbers and approximate values that will be needed for various purposes. A complete list of what the deceased owned including real estate, stocks, bonds, bank accounts, and personal property. Property deeds, motor vehicle titles, stock certificates and other financial papers may be stored in a safe deposit box or other secure place.
- Recent income tax returns.** If you cannot locate a copy of the most recent tax return, you need to fill out IRS Form 4506.
- Insurance policies.** These documents may be stored in a safe deposit box or with the personal belongings of the deceased. If you cannot find the individual policies among the deceased's papers, check the checkbook, paycheck stubs, or bank statements for premiums paid. It is important to note that insurance and annuity companies' names may change. The original policy or contract may bear a different company name than that current premium payment or account statement.

### **Step 2. Contact Insurance Companies.**

Your spouse may have had several types of insurance policies. These could include:

- Life insurance
- Mortgage or loan insurance
- Accident insurance (if applicable)
- Auto insurance (if applicable)

- Credit card insurance (that pays off account balance)
- Various types of insurance provided by your spouse's employer

Contact each insurance company to gather information on how to claim the policy benefits. The proceeds from an insurance policy can generally be paid directly to the named beneficiary. These claims are usually processed quickly and can be an important source of money for the survivors. You should file claims for insurance policies as soon as possible, especially if finances are a concern.

You may need to make a decision regarding the type of payment plan you desire. Your options might include one time, lump-sum payment, or fixed payments over a period of time. These decisions are based on your financial situation. You may want smaller fixed payments to secure a steady income or you may want the full amount immediately to pay bills or to invest. Consider consulting a lawyer/financial advisor about this decision.

### **Step 3. Notify Social Security.**

In most occasions, the funeral home will notify Social Security of the decedent's death. As such, you will have to follow up on any benefit changes. You will need to notify the Social Security Administration if your spouse was already receiving Social Security. It is important to note the time frame of the last Social Security benefit payment. If the decedent was alive on the first day of the month, the last payment may be retained. If the death occurs in the latter part of the month, the next month's payment will probably be deposited as usual, but then removed from the account a few weeks later.

#### ***Social Security Benefits***

If the deceased had paid into Social Security for at least 40 quarters, two types of benefits are possible:

1. ***Special one-time death benefit:*** \$255 for burial expenses is available to eligible spouses or dependent children. The survivor can complete the necessary form at the local Social Security office, or the funeral director may complete the application and apply the payment directly to the funeral bill.
2. ***Survivor's benefits:*** For spouse or children.

When applying for survivor's benefits, you will need to have birth, death and marriage certificates, Social Security numbers, and a copy of the deceased's most recent federal income tax return. Call **1-800-772-1213** for an appointment with the nearest Social Security office to inquire about benefits and eligibility.

- Spouse age 60 or older. The amount of the benefit received prior to age 65 will be less than the benefit due at age 65 or over.
- Disabled surviving spouse age 50 or older.
- Spouse under 60 who cares for dependent children under the age of 16 or disabled children.
- Children of the deceased under the age of 18 or who are disabled.

### **Step 4. Claim Benefits.**

Veterans, Social Security, and employee benefits may be available to you. Unions and other professional organizations provide benefits as well.

#### ***Veteran's Administration***

If your spouse was receiving monthly payments already, you will need to notify the VA of the death. If the deceased was a veteran who received a discharge other than dishonorable, survivors may get \$300 toward funeral expenses and \$150 for burial costs. Burial in a national cemetery is

free to a veteran, spouse, and dependent children. Veterans are also eligible for a headstone or grave marker.

The surviving spouse and dependent children of disabled veterans may also be entitled to a lump sum death benefit, monthly payments, such as educational assistance and medical care. Check with the regional VA office about your eligibility for the different types of veteran's benefits and the documents you will need to apply for benefits.

### ***Employee Benefits***

If your spouse was employed at the time of death, you should contact the employer regarding any benefits for the survivors. The employer may have provided life, health or accident insurance which will yield payments. Your spouse may be due a final paycheck for unused vacation or sick leave. If the death was work-related, there may be Worker's Compensation benefits.

You should contact all past employers, including federal, state, or local government, to determine if the survivors of the deceased are entitled to any payments from a pension plan.

If your spouse was already retired and received a pension, you should check with the employer to determine if survivors will continue to receive a pension payment and whether the payment will be reduced.

If your spouse belonged to a union or professional organization, check to see if they offer death benefits for their members. Also find out about any credit union balances.

## **Step 5. Begin Probate**

Property owned in joint tenancy with right of survivorship, payable on death, transfer on death, property in trust, and assets with a designated beneficiary (life insurance, IRA's, 401(k), pensions, etc.) **do not** go through the probate process. The exact form of ownership of an account is established in the account agreement. The name(s) printed on checks and name(s) listed on account statements are not always a reliable indication of the form of ownership.

Property owned solely by the deceased with no named beneficiary is potentially subject to probate. Probate is the court process of administering the estate of the deceased. This process entails:

- The appointment of an individual by the court to act as a "personal representative" (executor or administrator) of the estate. An executor is named in the will. If there is no will, or if the person named as executor cannot serve, the court will appoint an administrator, usually the spouse or a relative.
- Proving that the will, if it exists, is valid.
- Notifying heirs and beneficiaries.
- Notifying creditors and paying lawful claims.
- Distributing the estate in accordance with the will or state law.

## **Step 6. File Tax Returns**

### ***Federal Estate Tax:***

Because of changes in recent years, very few estates now have to pay federal estate tax or file an estate tax return. When necessary, a federal estate tax return must be filed and taxes paid within nine months of the date of death. Under current law the following exemptions are outlined:

- 2008 - \$2 million exemption;
- 2009 - \$3.5 million exemption;
- 2010 - No estate tax and;

- 2011 - \$1 million exemption

Contact an accountant or attorney for assistance with an estate return.

***State Inheritance and Estate Taxes:***

Check with your lawyer or accountant for advice on state death taxes as the rules vary from state to state.

***Income Taxes:***

The federal and state income taxes of the deceased are due for the year of death. The taxes are due on the normal filing date of the following year, unless an extension is requested.

The spouse of the deceased may file jointly for the year of death. A spouse with dependent children may file jointly for two additional years. The IRS offers a booklet, publication #559, *Information for Survivors, Executors and Administrators*, which may be helpful. You can obtain this booklet by contacting your local IRS office. The phone number is listed under *IRS Forms* in the government section of your phone directory. The publication may also be obtained online at [www.irs.gov](http://www.irs.gov).

## **Step 7. Change Ownership or Titles**

You may need to transfer ownership or change title on property, or revise documents after the death of your spouse. Some items to check include:

- ***Insurance policies:***

For policies held by the spouse of the deceased, beneficiaries may need to be changed. Especially for life insurance, you may decide that you no longer need to have the same amount if you do not have dependents. Auto insurance and home insurance may also need revision. In the case of a spouse, the deceased may have covered your medical insurance through work. You may need to purchase your own medical insurance. Check with the employer to see if you can continue with their group health insurance plan, which may be less expensive. Contact the company issuing the policy to make any changes, or for more information.

In the case of life insurance policies owned by the deceased on the life of another (e.g., spouse or child), a change in policy owner will be needed.

- ***Auto:***

The title of the car owned by the deceased may need to be changed. Contact the Secretary of State's Drivers' License Facility.

- ***Will:***

Contact your attorney to determine whether any revisions to your current will are warranted.

- ***Powers of Attorney:***

Review your existing Property and Health Care Powers of Attorney to determine if the agent should be changed. If you do not have such powers of attorney, you should consider having them prepared.

- ***Bank accounts, stocks, bonds:***

If you had a joint tenancy bank account with your spouse, it will automatically pass to you. You should check with the bank representative to change the title, social security number and signature card on the account. If the bank account was held only in the name of the deceased, those assets will have to go through probate. An exception to this would be trust accounts. A Small Estate Affidavit procedure may be available in lieu of probate to transfer

personal property not exceeding \$100,000 in value. To change stocks or bond titles, check with your stockbroker.

- **Automatic Deposits To or From Bank Accounts**

It is important to contact any institution that has automatic deposits to or deposits from the deceased's bank accounts. This process often takes some time to implement these changes. In the meantime avoid closing out an account until you are certain that all checks have cleared and automatic payments have been terminated.

- **Living Trusts:**

If the decedent was the owner and trustee of a grantor (or living) trust, it is appropriate to seek the advice of legal counsel.

- **Credit cards:**

Credit cards which were held exclusively in the name of the deceased should be canceled. Any payments due on these credit cards should be paid by the estate. In the case of a spouse, you may have credit cards in both names, or you may have used cards which listed only the name of your spouse. In this situation, you will want to try to make payments in order to keep your own good credit rating. You should begin to notify the credit card companies that your spouse is deceased and that the card should list your name only. Some people, particularly widows, may experience difficulties in getting a new card if they do not have their own credit rating. When applying for a card, be sure to inform the lender about credit cards you shared with your spouse, even if your name was not listed.

- **Safe deposit box:**

Each state has laws that govern Safety Deposit boxes that were held jointly or in sole ownership, with respect to the deceased. A surviving spouse who was of the co-renter of a box with the deceased spouse, may wish to consider adding someone else as a co-renter to facilitate entry to the box at a later date. Illinois Safety Deposit Box Opening Act - 755 ILCS 15, Section 1.

## **General Finances**

A wise guideline for widowed spouses is to make no major decisions, financial or otherwise, for at least 6 months, and preferably for a year, after the death. Make no investments of any sort until such a time that you have been able to adjust to your new situation and are able to assess it appropriately. Take your time and get the best advice you can before you take any action.

Delay decisions about moving especially to an entirely new location. Don't lend money to anyone. Never pay an unfamiliar debt or sign documents. Put life insurance proceeds in a secure, interest bearing account with a reliable financial institution and wait before making any decisions. Consult experienced, reliable friends, relatives, and financial advisors. As time passes, things will gradually take shape. Only then will you be ready to make changes about your living and financial arrangements.

## **Professional Assistance**

You may need or desire the services of a professional, particularly a lawyer or a financial advisor. It may be easy initially to use the services of the lawyer who wrote your spouse's will or you may wish to locate another professional with whom you feel more comfortable.

One good place to begin finding names of competent professionals is from friends, family or lodge members who have had successful dealings with the kind of advisors you are seeking.

### **Illinois Masonic Home Outreach Services (IMOS)**

For those seniors who wish to remain in their own homes or in a facility in their community, IMOS is able to assist in providing referrals and resources to help those who need information regarding resources in their community. In addition, programs are available to assist those in financial need. Trained staff can provide referral information on topics of importance to you. For more information, please contact Karla Carwile, Director of Outreach Services at 217-529-8900 ext 12 or [kcarwile@afam-il.org](mailto:kcarwile@afam-il.org).

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