

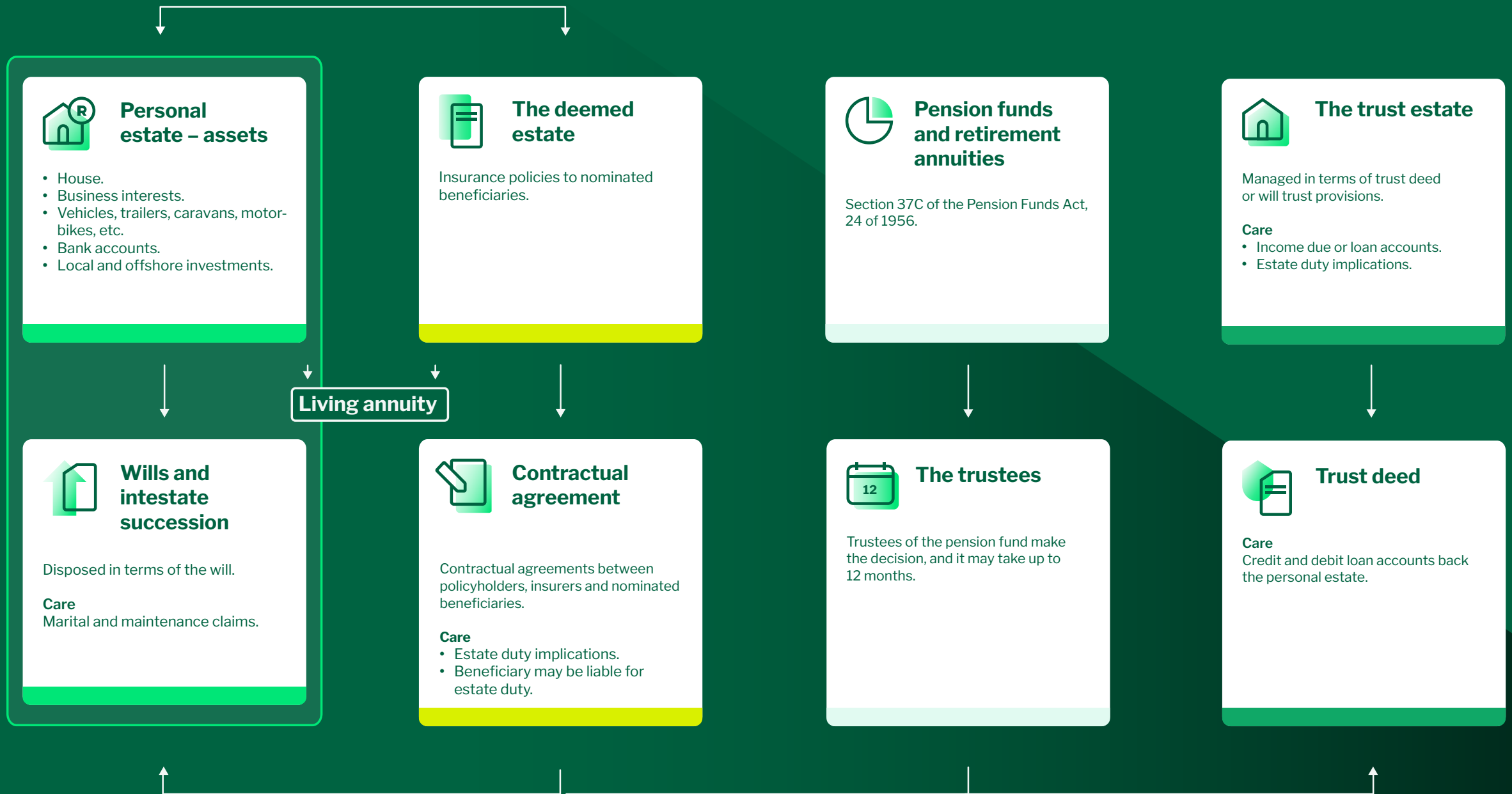


▶ Estate administration process

Estate Planning 101

NEDBANK

Asset framework



Estate administration process explained



- Obtain death certificate.
- Establish existence of the will.
- Collate deceased's documents.



Report estate on the estate reporting tool:

[Report online](#)

(nedbank.co.za)

Alternatively

Gauteng, Limpopo and Mpumalanga



[Click here](#)

Western Cape, Northern Cape and Free State



[Click here](#)

Eastern Cape, KwaZulu-Natal and North West



[Click here](#)



Courier all original documents to the respective regional office.



- Report the estate to the Master of the High Court.
- Issue the formal letter to appoint the executor.
- Notify all third parties of the passing of the deceased.



Estate will be allocated to the estate officer.



- Advertisement for debtors and creditors (section 29).
- Calling on debtors and creditors to lodge their claims within a period of 30 days.
- Government Gazette and local newspaper.



- Determine the assets and values.
- The valuation must be done in terms of prescribed law by a sworn appraiser. The estate will bear the cost of the valuation.
- Notify all third parties of the passing of the deceased.
- Submit the L&D to the Master.
- Submit the tax return.



- Once the Master's approval and query sheet have been received, place the advertisement.
- Government Gazette and local newspaper (section 35 advert).
- Lies for inspection for 21 days.
- The executor must attend to any objections.
- If there are no objections or once the objections have been resolved, the administration process will start.



- Obtain a tax clearance certificate (TCC) from SARS and the deceased estate compliance letter (DEC).
- Pay all creditors.
- Pay administration costs.
- Distribute assets and transfer of movable and immovable property.



- Submit TCC and DEC to the Master.
- Submit proof of payment to creditors.
- Submission of section 56(1) affidavit for release of office.
- Estate finalised and executor discharged of duties.

1-3 months

1-6 months

12-18 months

These periods are guidelines only and will depend on the unique circumstances of each estate.



It is important to obtain as much information regarding the deceased and their assets as possible. The checklist will guide you on the documents required.

An advisor or a family member must collate the information.

Report the death on the deceased-estate [link](#).

Alternatively, email the respective estate office.



The executor will submit all the important reporting documents together with relevant supporting documents to the Master of the High Court to obtain the letter of executorship.

The estate team can now report the estate to the Master of the High Court.

Courier, submit or send the original estate reporting documents to the respective regional office.

Collate information

Report the estate to NGT

Courier documents

Report to the Master



Inland

Gauteng, Limpopo and Mpumalanga



[Click here](#)

Nedgroup Trust, Second Floor, Block H
Nedbank 135 Rivonia Campus,
135 Rivonia Road, Sandown, Sandton, 2196

Coastal

Western Cape, Northern Cape
and Free State



[Click here](#)

Nedgroup Trust, Nedbank Clocktower,
Clocktower Precinct, V&A Waterfront,
Cape Town, 8001

KZN

Eastern Cape, KwaZulu-Natal
and North West



[Click here](#)

Nedgroup Trust, Nedbank Park Square,
9 Park Avenue, Umhlanga Rocks, 4019

Formal appointment of the executor

The executor is authorised only to proceed with the administrative process after receipt of the letters of executorship.

Responsibilities of the executor

- Report the estate to the Master of the High Court and apply for letters of executorship, which is a formal document confirming the executor's authority to act.
- Determine the beneficiaries.
- Locate and identify the assets and take control of them.
- Deal with the administration of the estate, which could include the sale of assets as required.
- Ensure all claims and debts are assessed and paid if substantiated.
- Deal with tax returns.
- Prepare liquidation and distribution accounts in accordance with the terms of the will.
- Arrange for the distribution of the estate once it has been approved by the Master and defend any litigation.

Fulfil the wishes in accordance with the terms of the deceased's valid last will and testament.

The executor should at all times remain unbiased and cannot be expected to take sides. The executor's function is merely administrative and is governed by the provisions of the Administration of Estates Act 66 of 1965 (as amended).



'Executor' means any person who is authorised to act under letters of executorship granted or signed and sealed by the Master of the High Court (Administration of Estates Act 66 of 1965).

Death notice

Not the same as the Notice of death signed by the medical practitioner.

Summary of all the details relating to the deceased, eg marital status, spouse's details, children and parents' details.

Inventory

List of all the assets registered in the deceased estate's name, eg fixed property, motor vehicles, listed shares, bank accounts and policies payable to the estate.

Marriage declaration

Declaration regarding the marital status of the deceased.

List of creditors

List of all the accounts outstanding (creditors).

Acceptance of trust as executor

The executor accepts their nomination to act as the executor of the estate.

Originally signed will

Last original signed and dated will confirming the instructions of the deceased and the nominated executor.

Certified copies of supporting documents

Death certificate, marriage certificate or divorce decree and ID of applicant (executor).



Advertisement for debtors and creditors (section 29).

Calling on debtors and creditors to lodge their claims within a period at least 30 days.

Government Gazette and at least one local newspaper.



Cost for placing the advertisements

About R800

Fees are dependent on province and publication.



Steps to be followed to draft liquidation and distribution account.

Any money due to the estate, will be collected at this stage and paid into the estate late bank account.

Determine the assets and values

Obtain valuations of properties and vehicles.

Obtain values of all accounts, shares and investments, including debt.



The valuation must be done as prescribed by law, by a sworn appraiser. The estate must bear their cost.



The executor must draft a liquidation and distribution account (L&D).

The L&D account will consist of all the assets, liabilities and costs in the estate, as well as the assets rewarded in terms of the will. Should the estate be liable for taxes, a provision for taxes will also be reflected in the L&D account.

The executor submits the L&D account, together with supporting documents and vouchers, to the Master.

The Master of the High Court requires that the executor file an L&D account within a prescribed time. If it is not possible to have a first L&D account ready within this period, the executor must submit a request to the Master for an extension.

If the Master has queries regarding the account, the queries are submitted to the executor, who must respond within a certain time.

The executor must receive and respond to the Master's enquiry before the Master gives approval for the account to be advertised.

The L&D account is then advertised in the Government Gazette and local newspaper (section 35 advert).

The account will lie for inspection for 21 days. Anyone can ask to see it. The beneficiaries also have an opportunity to review the account before it is finally approved by the Master. If an objection has been lodged, the executor needs to attend to the query timeously, and after that the account can be approved by the Master and the assets can be distributed to the beneficiaries.



Where applicable the account must lie for inspection at the nearest Magistrate holding jurisdiction where the deceased resided.

The deemed estate

DEC – Deceased estate compliance letter

Taxes for which the estate is liable for after date of death, eg capital gains taxes, estates duty taxes, etc.

TCC – tax clearance certificate

Personal taxes of the deceased before their death, eg personal income tax, etc.

Pay all creditors

- Outstanding bonds.
- Bond cancellations.
- Compliance certificates (sale of property).
- Hire purchase agreements.
- Loans, eg credit cards, personal loans and overdrafts.
- Clothing accounts.
- SARS.

Distribution of assets to heirs

The completed beneficiary questionnaire as well as the FICA documents of each beneficiary will be required before any payments and transfers can be finalised.

Pay administration costs

Executor fee	3,5% (excl VAT)
Income collection fee (on all income collected after death)	6% (excl VAT)
Master fee	max R7 000
Advertisement cost	R800
Valuation cost	+/- R7 000
Property transfer cost	+/- R50 000

* Please refer to expenses explained for more information.

Filing and completion of estate

Submission of the following documents to the Master of the High Court for finalisation and closure of the estate file:

- DEC and TCC.
- Full bank statement of the estate bank account.
- Proof of payment of creditors.
- Proof of advertisements.
- Proof of transfer of property.
- Proof of payment of Master's fees.
- Proof of magistrate certificate where applicable.
- Section 56(1) affidavit.

i The Master issues the filling slip, which indicates that they have closed their file.

Section 56(1)

The executor requests the Master of the High court to release them of the duties, as they have administered and finalised the estate in accordance with the Estate Administration Act.



This content should not be construed as "legal advice" and is intended as guidance on the estate administration process.

see money differently

Nedbank Ltd Reg No 1951/000009/06. Licensed financial services and registered credit provider (NCRCP16).

NEDBANK