

CASH FLOW ISSUES	YES	NO
<p>Was your parent married when he/she passed away? If so consider the following:</p> <ul style="list-style-type: none"> ■ If your parent was receiving Social Security, their surviving spouse may be eligible for survivor benefits. ■ If the surviving spouse is receiving a government pension based on earnings that were never subjected to Social Security taxes, reference "Will I Avoid Social Security's Government Pension Offset?" flowchart. ■ If the surviving spouse is under the age of 59.5 and wants cash, consider utilizing an Inherited IRA to access the assets penalty free. Reference "Should I Inherit My Deceased Spouse's IRA?" flowchart. 	<input type="checkbox"/>	<input type="checkbox"/>
<p>Was your parent over the age of 70.5 or were they taking an RMD (from an inherited IRA) at the time of their death? If so, the heirs may have to take the remaining RMD amount before the end of the year.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Was your parent receiving a pension? If so, payments may stop or if your parent was married, be adjusted for survivor benefits.</p>	<input type="checkbox"/>	<input type="checkbox"/>

ESTATE SETTLEMENT ISSUES	YES	NO
<p>Do any accounts require ownership of the account to be updated?</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Will any beneficiary be inheriting any of your parent's assets and have more assets than they need to maintain their lifestyle? If so and acceptable contingent beneficiaries have been named, they may wish to disclaim these assets to shift them to other beneficiaries. This must be done within 9-months of the date of death.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Will your parent's estate exceed \$11.4 million or, if your parent was married, will the combined estate exceed \$22.8 million? If so, consider the following:</p> <ul style="list-style-type: none"> ■ Your parent's estate may have a federal estate tax liability due. (continue on next column) 	<input type="checkbox"/>	<input type="checkbox"/>

ESTATE SETTLEMENT ISSUES (CONTINUED)	YES	NO
<ul style="list-style-type: none"> ■ Proceeds from a life insurance policy owned by the deceased and values of retirement accounts are included in the gross estate. ■ If your parent was married, to maintain portability of unused exemption, the estate must file IRS Form 706 no later than 2 years after the date of death. 		
<p>If there is an estate tax liability, do you expect the value of the assets to decline over the next six months? If so, consider electing the alternate estate valuation by filing IRS Form 706 within one year of the due date.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Could there be property and assets not yet identified? If so, consider the following:</p> <ul style="list-style-type: none"> ■ Look at the "points" feature on credit cards & "miles" with airlines to see if they are transferable. ■ Check for safety deposit boxes but be sure to follow probate rules before opening. ■ Search state agencies and unclaimed property sites that are run by many state treasurers. 	<input type="checkbox"/>	<input type="checkbox"/>
<p>Do you expect to inherit any assets from your parent or was your parent included in your own estate plan? If so, consider updating your own estate plan.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Are there digital assets that should be preserved?</p>	<input type="checkbox"/>	<input type="checkbox"/>

INSURANCE ISSUES	YES	NO
<p>Was your parent employed at time of death? The employer and union may provide group life insurance and/or compensation related to their employment.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Was the death accidental or work related? If so, consider the following:</p> <ul style="list-style-type: none"> ■ Some financial institutions and professional associations may offer a small lump-sum benefit. ■ The employer/ union may offer additional death benefits. ■ If your parent was married, the spouse may be eligible for worker's compensation and/or death benefits. (continue on next page) 	<input type="checkbox"/>	<input type="checkbox"/>

INSURANCE ISSUES (CONTINUED)	YES	NO
<ul style="list-style-type: none"> Some life insurance policies have an “accidental death” provision for higher benefits. 	<input type="checkbox"/>	<input type="checkbox"/>
<p>Was your parent a veteran? If so, there may be a death & burial benefits, survivor pension and other benefits.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Did your parent have a child under age 18 or a child permanently disabled? If so, your parent’s spouse and/or the child may be eligible for Social Security benefits.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Could there be any life insurance owned by your parent that has not been identified or claimed?</p>	<input type="checkbox"/>	<input type="checkbox"/>

TAX ISSUES	YES	NO
<p>Did your parent own a home? If so, the primary residence can be sold within the first two years after your parent’s death and the \$500,000 capital gains exclusion will still be available to the surviving spouse.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Did your parent own other property jointly, such as an investment account? If so, the joint owner may receive a step-up in basis. Reference “Will I Receive A Step-Up In Basis For This Inherited Property?” flowchart.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Have all your parent’s prior income taxes been paid (not including any estate taxes)? Contact the IRS and the state’s taxing authority to pay any taxes or to check if any back taxes are due.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Did your parent file as Married Filing Jointly? If so, the surviving spouse can continue to file as MFJ in the year your parent passed away.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Was your parent married and did they have a dependent child? If so, your parent’s spouse may be able to use the Qualifying Widow(er) tax filing status for the two tax years following the year your parent passed away.</p>	<input type="checkbox"/>	<input type="checkbox"/>

Investment & Asset Issues	YES	NO
<p>Does your parent have stock options, grants, or restricted stock units (RSUs)? If so, consider the following:</p> <ul style="list-style-type: none"> Check employer plan documents to understand what will happen with stock awards at death. Beneficiaries should be aware of potential tax ramifications of accelerated stock vesting. 	<input type="checkbox"/>	<input type="checkbox"/>
<p>Has the change in circumstances altered investment objectives or risk tolerance for family members inheriting assets?</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Was your parent married and did they have carry-forward investment losses? If so, consider having the surviving spouse realize investment gains in the year of death. Carry forward losses are lost in the year of death.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Does your parent own an annuity? If so, consider the following:</p> <ul style="list-style-type: none"> Your parent’s spouse (if applicable) may be able to inherit a non-qualified annuity as their own if they were listed as beneficiary on the policy. A non-spouse beneficiary will have to take required distributions from a non-qualified annuity. Non-qualified annuities do not receive a step up in basis, so be aware of potential tax ramifications with distributions. 	<input type="checkbox"/>	<input type="checkbox"/>

OTHER ISSUES	YES	NO
<p>Do you need to reduce the threat of identity theft? If so, cancel your parent’s email accounts, cancel social media accounts, notify credit bureaus, cancel driver’s license, notify election board.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Are there any state specific issues that should be considered (including out-of-state property or estate tax liability)?</p>	<input type="checkbox"/>	<input type="checkbox"/>

OCTO Capital Wealth Management (OCWM) offers low-cost, tax-efficient index investment management and financial planning. OCWM derives its investment strategy from Nobel-prize winning academic research and financial science using portfolios from Dimensional Fund Advisors (DFA), Vanguard and ETF funds, as well as cash equivalents, maturity laddered bond and CD portfolios. Our portfolios aim to capture higher expected returns by tilting exposure to key “factors”, such as company size, value, and profitability; without slavishly adhering to an index.

OCTO Capital, LLC is a Registered Investment Advisor, adhering to a Fiduciary standard of practice. Typical fees are between \$625/quarter and \$2,000/quarter.

For more information, please call our office at 248-731-7729, or visit our website: www.octo-capital.com

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