

CONSULATE
WEALTH

WIDOW FINANCIAL CHECKLIST:

WHAT TO HANDLE NOW AND WHAT CAN WAIT

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WHAT TO HANDLE NOW AND WHAT CAN WAIT

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When your spouse dies, the paperwork often shows up long before you're ready for it. Banks send forms and government agencies ask for certified copies, sometimes while you're still greeting family at the funeral home. If you are reading this in the weeks after a loss, please know that very little must happen this week.

This financial checklist (written for widows and widowers alike) lays out what to handle first and what can wait. A handful of items are time-sensitive, but most can wait until you have had some rest and have people around you to lean on. We also included steps for Maryland residents and for families with federal or military benefits, two situations our team sees often.

In the First Few Days

- [ ] **Order certified copies of the death certificate.**
  The funeral home can usually order these for you. Many families request 10 or more, including a few that list the cause of death, since some life insurance claims and military retired pay require that version.

- [ ] **Give the funeral director your spouse's Social Security number.**
  Funeral directors can report the death to Social Security on your behalf.

- [ ] **Let your financial advisor know.**
  If you already work with a financial advisor, a call early on lets them help you sort out which accounts need attention now and which can wait. They may also have copies of your account statements and beneficiary forms on file, which can make the next step easier. We're often one of the first calls our clients make after a loss. If you don't have an advisor, this can wait until you feel ready to look for one.

- [ ] **Gather important documents as you come across them.**
  Look for the will, any trust documents, insurance policies, recent account statements, and the last two years of tax returns. Anything missing can be requested later.

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- [ ] **Keep the household running.**
  Pay bills due soon, such as the mortgage or electric bill. Recent bank statements will show which payments come out automatically.

- [ ] **Hold off on large decisions.**
  Selling the house or moving money between investments can wait. Many advisors suggest waiting about a year before making changes that are hard to reverse. If someone approaches you with an investment idea or a request for money, it's perfectly fine to say you are not making any decisions right now.

Within the First Month

- [ ] **Start a simple call log.**
  Each time you call a bank or insurance company, write down the date and the name of the person you spoke with, along with anything they asked you to send. Grief affects memory, and a notebook by the phone can save you a repeat call.

- [ ] **Contact Social Security.**
  Call 1-800-772-1213 to ask about survivor benefits, which can begin at a reduced amount as early as age 60. Surviving spouses may also qualify for a one-time $255 payment, which must be requested within two years. Social Security does not pay a benefit for the month in which a person dies, so the deposit that arrives the following month must be returned.

- [ ] **Notify your spouse's current and former employers.**
  Ask each benefits office about group life insurance, pension survivor payments, final paychecks, and any 401(k) balance.

- [ ] **File life insurance claims.**
  Contact each insurer for a claim form. Old mail and bank statements can point you to policies you may not have known about.

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- [ ] **Review your health coverage.**
  If you were covered under your spouse's employer plan, a federal law known as COBRA generally lets you stay on that plan for up to 36 months, although you will pay the full premium. If you are not yet 65, compare COBRA with a marketplace plan before the election deadline listed in the employer's notice.

- [ ] **Deliver the will to the Register of Wills.**
  In Maryland, whoever holds the original will should file it promptly with the Register of Wills in the county where your spouse lived. An estate attorney can tell you if a full probate is needed.

- [ ] **Notify the credit bureaus.**
  Send a copy of the death certificate to Equifax, Experian, and TransUnion, and ask each to flag your spouse's credit file as deceased to help prevent identity theft.

If Your Spouse Served in the Military or Worked for the Federal Government

- [ ] **Military retired pay.**
  Report the death to the Defense Finance and Accounting Service (DFAS) at 1-800-321-1080 or through the online askDFAS form. DFAS also handles the claim if your spouse elected the Survivor Benefit Plan (SBP).

- [ ] **Federal civilian retirement.**
  Report the death of a retired federal employee to the Office of Personnel Management (OPM) at 888-767-6738, and OPM will mail you an application for death benefits. If your spouse was still working, start with the human resources office at their agency.

- [ ] **VA benefits.**
  If your spouse was a veteran, call the Department of Veterans Affairs at 1-800-827-1000 to ask about burial allowances and survivor benefits.

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Within Two to Three Months

- [ ] **Retitle bank accounts.**
  Joint accounts usually pass directly to you. Some surviving spouses keep one joint account open for a few months so checks made out to both of you can still be deposited.

- [ ] **Take your time with retirement accounts.**
  A surviving spouse has more options with an inherited IRA or 401(k) than any other beneficiary, and the best choice for you depends on your age and when you will need the money. If your spouse was already taking required minimum distributions, ask whether this year's withdrawal was completed. Before signing any rollover paperwork, have a tax professional review it with you.

- [ ] **Update the beneficiaries on your own accounts.**
  Your retirement accounts and life insurance policies probably name your spouse. Beneficiary forms take priority over a will, so updating them keeps your current wishes on record.

- [ ] **Ask your estate attorney about estate tax filings.**
  Even when no estate tax is owed, a federal estate tax return can preserve your spouse's unused exemption for your own estate later. Maryland has its own estate tax as well, so ask your attorney if a separate state return is needed.

- [ ] **Close your spouse's individual credit cards.**
  A balance on a card held only in your spouse's name is generally a debt of the estate, so check with your attorney before paying a collector.

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Tax Questions to Raise in the First Year

Taxes change in several ways after a spouse dies, and a few of them benefit from early attention. The items below are good questions to bring to whoever prepares your tax return this year.

- [ ] **Your filing status.**

  For the year your spouse died, you can still file a joint federal return. Starting the following year, most surviving spouses without a dependent child file as single, and the same income can fall into a higher bracket. Because the joint brackets apply only through December 31 of the year of death, some families use the remaining months to plan the timing of IRA withdrawals. Our article on finances after losing a spouse explains this shift in more detail.

- [ ] **Ask whether a Roth conversion makes sense this year.**

  A Roth conversion moves money from a traditional IRA into a Roth IRA, where qualified withdrawals are generally tax-free later. You pay income tax on the amount you convert, but because you can still use the joint tax brackets for the year your spouse died, converting that year may cost less in tax than it would later as a single filer. The conversion must be completed by December 31 and may raise your Medicare premiums two years later, so review the numbers with your tax professional or financial advisor first.

- [ ] **The new cost basis on inherited assets.**

  Investments and real estate you inherit generally receive a new cost basis equal to their value on the date of death. For property you and your spouse owned jointly, this usually applies only to your spouse's half. Recording those values now can lower the capital gains tax if you sell later.

- [ ] **Your Medicare premiums.**

  Medicare adds an income-based surcharge, called IRMAA, that looks back two years. If your income has dropped since your spouse died, Form SSA-44 lets you ask Social Security to recalculate it.

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Later in the First Year

- [ ] **Update your own estate plan.**
  Review your will and powers of attorney, and name a new healthcare agent if your spouse held that role.

- [ ] **Build a new budget.**
  Your household will receive one Social Security check instead of two, although you generally keep the larger benefit. Once you know your new income, you can see what monthly spending looks like on its own.

- [ ] **Revisit your investments.**
  Once your new income needs are clear, review whether your portfolio still matches what you'll need to draw from it each year.

- [ ] **Decide about the house when you are ready.**
  Some people stay for years, and others find the house no longer fits. There’s no need to set a deadline.

Moving Forward at Your Own Pace

Most surviving spouses work through this list over many months. When you would like someone to sit with you and sort out which items apply to your situation, our team in Hunt Valley is here to help. Some people reach out in the first few weeks and others call a year later. Both are perfectly fine. An introductory conversation requires no cost or commitment. You can reach us at (410) 823-7283, or contact us through our website whenever you feel ready.

About Graham

Graham Ewing, CFP®, is a Wealth Advisor and Director of Financial Planning Standards at Consulate Wealth. He works with clients to navigate the financial side of major life transitions, focusing on tax planning, estate planning, investment planning, and retirement planning.

