FOR CALIFORNIA SUCCESSOR TRUSTEES

The California Trust Administration Checklist

A step-by-step guide to administering a California trust after a death, in the order the work actually happens.

If you have been named successor trustee, you are probably holding a document you have never read closely, facing a list of tasks nobody explained, with family members already asking when they will receive their inheritance.

This checklist sets out the work in sequence. It covers what has to happen first, the one deadline California imposes early, the assets that cause the most trouble, and what has to be finished before anything can be distributed.

Most California trust administrations take somewhere between six and eighteen months. A simple trust holding a bank account with cooperative beneficiaries can finish in weeks. Real estate, tax matters, assets left outside the trust, or disagreement among beneficiaries can extend it well beyond a year.

How to use this checklist. Work through the phases in order, but expect overlap - marshaling assets and communicating with beneficiaries continue throughout. Not every item applies to every trust. Items you cannot complete are not failures; they are the questions to bring to your attorney.

This checklist is written to help you understand what the role involves, not to help you do it alone. We recommend that successor trustees retain a California trust administration attorney rather than attempt the administration themselves - not because the individual tasks are beyond an intelligent person, but because a trustee is held to legal standards, owes duties to the beneficiaries, and can be held personally liable for mistakes, and the errors that cause the most damage are usually the ones a trustee did not know were errors at the time.

This is educational material, not legal advice. It is general information about California trust administration, not advice about your trust or your circumstances, and it does not substitute for an attorney who has read your documents. Reading it or contacting our office creates no attorney-client relationship and none should be presumed; that relationship arises only through a signed written engagement agreement.

Deadlines That Matter

California does not impose a single deadline for finishing a trust administration. It does impose one early notice requirement, and several other dates carry real consequences if missed.

TIMING	WHAT IS REQUIRED
Within 30 days	Whoever has custody of the settlor's original will must deliver it to the clerk of the superior court in the county where the estate may be administered, and send a copy to the person named as executor. This applies even where the estate is handled entirely through a trust and no probate is expected.
Within 60 days	Serve notice under California Probate Code section 16061.7 on beneficiaries and on the settlor's heirs after the trust becomes irrevocable. This is the deadline most successor trustees do not know exists.
120 days	Once proper notice is served, a person who received it generally has 120 days to bring a trust contest. Serving notice correctly starts that clock; failing to serve it leaves the contest period open.
Tax deadlines	The settlor's final personal income tax return and any trust income tax returns follow ordinary filing deadlines. Confirm which returns are required early rather than in April.
Property tax claims	California property tax exclusion claims for inherited real property carry strict filing deadlines. Identify whether an exclusion may apply as soon as you know real property is involved.
Before distributing	There is no fixed date, but debts, taxes, and administration expenses must be addressed and an adequate reserve set aside before beneficiaries receive anything.

PHASE ONE

Secure the Assets and Gather the Documents

The first two weeks

California Probate Code section 16006 requires a trustee to take reasonable steps under the circumstances to take and keep control of, and to preserve, the trust property. Almost every dispute that surfaces later begins with something that went missing in the first two weeks.

- [ ] Locate the complete set of estate planning documents.
  - The trust agreement, plus every amendment and restatement
  - The Certification of Trust
  - The pour-over will
  - Schedule A and any other schedules of assets
  - Any Personal Property Memorandum the settlor prepared
  - Deeds, insurance policies, and recent financial statements

  Keep prior versions of the trust as well. They can matter if a question later arises about an amendment or the settlor's intent.
- [ ] Confirm that you are in fact the acting successor trustee.

  A later amendment may have changed the trustee designation. Read the most recent document, not the one the family hands you.

- [ ] Review the will and determine whether you are also named executor.

  Under California law the original will generally must be filed with the appropriate court. If someone else is executor, you will need to coordinate with that person.

- [ ] Order 10 to 15 certified copies of the death certificate.

  Banks, brokerages, insurers, the county recorder, and government agencies each want one. Running out mid-administration costs weeks.

- [ ] Secure all real property.

  - Collect keys, alarm codes, and garage openers
  - Confirm insurance remains in force and notify the carrier if appropriate
  - Determine who else has access, and change locks if necessary
  - For rental property, obtain the leases and confirm rent continues to be collected

- [ ] Secure vehicles, including keys, titles, and insurance information.

- [ ] Safeguard valuables and personal property inside the home.

  Jewelry, collectibles, firearms, artwork, and important documents. Do not let anyone remove items before you have inventoried them, however well intentioned the request.

- [ ] Preserve access to digital assets and online financial accounts where you reasonably can.

- [ ] Forward the settlor's mail to an address you monitor.

  Mail is the single most reliable way to discover accounts, debts, insurance policies, and recurring obligations nobody told you about.

- [ ] Review the trust terms regarding funeral expenses and keep records of every funeral-related payment.

- [ ] Understand the role you have stepped into and the duties that come with it.

  - Loyalty - acting in the interests of the beneficiaries, not your own
  - Impartiality - treating beneficiaries in the same position alike
  - Control and preservation of trust property
  - Keeping trust property separate and clearly identified as the trust's
  - Prudent administration, and keeping beneficiaries reasonably informed

  A trustee is a fiduciary. That is a legal status, not a description of the family relationship, and it carries the possibility of personal liability. Understanding what you now owe the beneficiaries underlies every task that follows, and it is the reason most successor trustees engage an attorney early.

> **The mistake to avoid.** Family members often begin taking sentimental items within days of a death. Once property leaves the home unrecorded, you cannot prove what was there, and a disagreement about a single item can sour an entire administration. Inventory first, distribute later.

PHASE TWO

Serve the Required Notices

Within 60 days of the trust becoming irrevocable

This is the one hard deadline early in a California trust administration, and it is the one most often missed by trustees acting without counsel.

- [ ] Determine who is entitled to notice.

Both beneficiaries of the trust and the settlor's heirs may be entitled, and heirs are not always the same people as beneficiaries. Identifying the wrong group is a common and consequential error.

- [ ] Compile complete contact information for every person entitled to notice.
  - Full legal name and relationship to the settlor
  - Mailing address, email address, and telephone number

- [ ] Prepare and serve notice that complies with California Probate Code section 16061.7.

- [ ] Consider serving the operative trust document, together with every amendment to it, alongside the notice.

If the trust has been restated, the operative document is the restatement, and what you serve is the restatement plus any amendment signed after it. If it was never restated, it is the original trust plus all of its amendments. The contest period generally runs from the later of service of the notice or delivery of the trust terms, so serving both at once starts a single clock. Serving the notice alone can leave the period open until someone asks for the document, which may be months later.

- [ ] Document the date and method of service for every recipient, and what was served.

Proof of service is what starts the contest period running. Without it, you may not be able to show notice was given at all.

- [ ] Consider, with your attorney, whether waivers are appropriate in this administration.
  - A waiver of the right to contest the trust
  - A waiver of a formal accounting

Whether to seek either depends heavily on the trust, the assets, and the relationships among the beneficiaries. Neither is automatically the right move, and asking for a waiver at the wrong moment can itself create suspicion. Accounting waivers are addressed again at the distribution stage.

- [ ] Respond to beneficiary requests for a copy of the trust in accordance with California law.

> **Why this matters.** Improper or late notice can delay the administration, extend the period during which the trust can be contested, increase the risk of litigation, and expose the trustee personally. It is also entirely avoidable with early legal guidance.

PHASE THREE

Set the Trust Up to Operate

Early, and before money moves

- [ ] Obtain a new EIN for the trust.

During the settlor's lifetime a revocable trust generally uses the settlor's Social Security number. After death the trust usually becomes irrevocable and will typically need its own EIN.

- [ ] Open a dedicated trust administration bank account using the new EIN.

The bank will usually ask for a Certification of Trust. If the settlor did not leave one, or the existing one no longer reflects who is serving as trustee, a new one will need to be prepared - your attorney can do this. A certification lets you prove your authority to act without handing the bank the entire trust document.

- [ ] Route all trust income and expenses through that account.
    - Collected trust funds and account transfers
    - Rental income
    - Administration expenses and professional fees
    - Eventual beneficiary distributions
- [ ] Keep trust funds entirely separate from your own.

    Commingling trust assets with personal assets may constitute a breach of fiduciary duty, even where nothing is lost and no one is harmed.
- [ ] Notify financial institutions and insurers that you are now acting as successor trustee.

PHASE FOUR

Identify and Marshal Assets and Liabilities

Weeks two through twelve, typically

You cannot distribute what you have not identified, and you cannot calculate a beneficiary's share until you know what the trust owns and owes.

Build the asset inventory

- [ ] Start from the trust's distribution provisions and Schedule of Assets.
- [ ] List every asset and how each one is titled.
    - Real estate
    - Bank and brokerage accounts
    - Retirement accounts and life insurance
    - Business interests
    - Vehicles
    - Tangible personal property
- [ ] For each asset, determine how it passes.
    - Titled in the name of the trust
    - Payable to a designated beneficiary
    - Held jointly or with right of survivorship
    - Held in the settlor's individual name with no designation
    - Listed in a Personal Property Memorandum the trust incorporates

    This single determination drives everything that follows. Assets in the last category are the ones that create work.
- [ ] Obtain date-of-death values for trust assets.
- [ ] Check California's unclaimed property database for forgotten accounts.

Identify liabilities

- [ ] List all known and suspected debts.
  - Mortgages and secured loans
  - Credit cards and personal loans
  - Medical bills
  - Outstanding taxes
- [ ] Review mail, account statements, and credit card bills for obligations nobody mentioned.
- [ ] Determine which debts require payment before the trust estate is distributed.

PHASE FIVE

Deal With Assets Left Outside the Trust

As soon as you discover them

Discovering that the settlor never transferred an asset into the trust is one of the most common problems in California trust administration. It does not automatically mean probate is required.

- [ ] Determine whether a valid Personal Property Memorandum already directs the item.
- [ ] Determine whether the asset has a joint owner or passes by right of survivorship.
- [ ] Determine whether a valid beneficiary designation controls.

  Confirm the named beneficiary is living and the designation was properly completed. Retirement accounts carry their own tax rules and deadlines.
- [ ] Review the pour-over will to confirm the trust is named as beneficiary of the probate estate.
- [ ] Review Schedule A to see whether the omitted asset is listed there.

  An asset identified on Schedule A may support a petition asking the court to confirm it belongs to the trust.
- [ ] Total the value of everything remaining outside the trust.
- [ ] Identify which transfer procedure may apply.
  - A small estate affidavit, where qualifying assets fall below California's threshold - $208,850 as of April 1, 2025
  - A Heggstad or Ukkestad petition under Probate Code section 850, to confirm an asset belongs to the trust
  - California DMV procedures, including a REG 5 affidavit, for vehicles
  - Formal probate, where no other procedure is available

> **Do not take a bank's word for it.** Financial institutions and title companies follow internal policies; they do not give legal advice on California probate. Trustees have been told probate was required, spent months and significant money pursuing it, and later learned a far simpler procedure had been available all along. Confirm before you file.

PHASE SIX

Handle Real Property and California Property Tax

Alongside Phase Four

In most California estates the home is the largest asset, and property tax is where an otherwise clean administration can quietly cost a family a great deal of money.

- [ ] Confirm how title to each property is held.
- [ ] Prepare and record the appropriate documents.
    - Affidavit of death of trustee
    - Affidavit of death of joint tenant
    - Other county-specific forms as required
- [ ] Review homeowner's insurance, mortgage obligations, and ongoing carrying costs.
- [ ] Determine whether a property tax exclusion claim is available and file it on time.

    Many California homes bought decades ago carry assessed values far below current market value. If the correct claim is not made and filed within the applicable deadline, the county may reassess at current value. Even a late but ultimately approved claim can cause temporary tax increases.
- [ ] Decide, consistent with the trust terms, whether property will be sold or distributed in kind.
- [ ] If property is held in another state, determine whether counsel in that state is needed.

PHASE SEVEN

Address Debts, Taxes, and Expenses

Before any distribution

- [ ] Determine which tax returns are required and who will prepare them.
    - The settlor's final personal income tax return
    - Trust income tax returns for the administration period
- [ ] Determine whether a federal estate tax return, IRS Form 706, needs to be filed.

    Two separate questions sit here. The first is whether the size of the estate requires a return at all. The second arises where there is a surviving spouse: filing a Form 706 may be worth doing even when the estate falls below the threshold, in order to elect portability and preserve the deceased spouse's unused exclusion amount for the survivor's later use. Filing deadlines apply, and both questions turn on figures and circumstances specific to the estate. (This is one to confirm with an attorney and a CPA rather than decide on your own.)
- [ ] Identify and properly address valid creditor claims.
- [ ] Pay administration expenses from the trust account.

    Attorney fees, accountant fees, appraisal costs, recording fees, and property carrying costs.

- [ ] Engage the professionals the administration actually requires.
    - Trust administration attorney
    - Certified public accountant
    - Appraiser
    - Real estate professional

  Hiring professionals does not transfer the responsibility. A trustee owes two duties here: to perform reasonable due diligence in selecting them, considering qualifications, experience, availability and fees; and to reasonably supervise their work once engaged. Keep a record of why you selected each one. If your decisions are questioned later, that record is what demonstrates you acted prudently.

- [ ] Calculate and set aside an adequate reserve.

  There is no standard figure. The reserve should cover remaining taxes and tax preparation, professional fees, trustee compensation, property costs, outstanding creditor claims, and a margin for the unexpected.

PHASE EIGHT

Records and Communication

Continuously, from day one

- [ ] Keep detailed records from the beginning of the administration.
    - Every expense, receipt, and invoice
    - Bank statements for the trust account
    - Important dates and deadlines
    - Conversations with beneficiaries and professionals
    - The reasoning behind every significant decision

  Beneficiaries, accountants, taxing authorities, or a court may ask why you did something - sometimes years later.

- [ ] Keep a running log of the time you spend administering the trust.
    - The date of the work
    - The hours spent
    - A description of the task performed

  Under California law a trustee is generally entitled to reasonable compensation unless the trust provides otherwise. A contemporaneous log is what supports that request. Reconstructing your hours from memory a year later is far weaker, and it is exactly the sort of thing a beneficiary will question.

- [ ] Update beneficiaries at regular intervals.
    - Milestones reached and what comes next
    - Realistic timelines, including delays
    - Anything you need from them

  Beneficiaries who feel informed are patient and cooperative. Beneficiaries who feel kept in the dark become suspicious, and suspicion is what turns an administration into litigation.

- [ ] Follow up actively with professionals and beneficiaries rather than waiting.

  The administration moves at the speed of whoever is chasing it, and that person is you.

PHASE NINE

Distribute the Trust Estate

Once the administration work is complete

A trustee may generally distribute once the required administration tasks are done. What those tasks are depends on the trust, the assets, the debts, and the beneficiaries.

Determine what each beneficiary receives

- [ ] Distribute personal property identified in the trust or a valid Personal Property Memorandum.
- [ ] Distribute specific gifts once you confirm the distribution is appropriate.

  A fixed sum of money, or a particular named asset.
- [ ] Calculate residual shares last.

  A residual beneficiary receives a percentage of what remains. You cannot divide the date-of-death value; you must first subtract expenses, taxes, creditor claims, and the reserve. This is why residual beneficiaries wait longer than those receiving specific gifts, and it is worth explaining to them in advance.

Decide on an accounting

- [ ] Review whether the trust requires an accounting.
- [ ] Consider whether an accounting is advisable even if beneficiaries would waive it.

  A waiver may be sensible where the assets are simple and the beneficiaries are cooperative and already informed. An accounting is worth serious consideration where assets are complex, shares differ significantly, or there is distrust in the family. The cost of an accounting is generally modest against the cost of a later dispute.

Document the distribution

- [ ] Consider a trust distribution agreement.

  California law does not require one, but it can become the most important document in the process. It sets out what each beneficiary is receiving, how the amount was calculated, what reserve is being retained and why, and may include beneficiary approvals, waivers, and releases.
- [ ] Review the trust terms before deciding how each asset will be distributed.

  The trust controls. It may direct that particular assets go to particular beneficiaries, require or prohibit a sale, or grant the trustee discretion. Whether you have a choice at all is a question the document answers.
- [ ] Where the trust gives you that choice, decide for each asset whether to distribute in kind or convert to cash.
  - Cash by check or wire from the trust account
  - Real property by deed from the trust to the beneficiary
  - Securities transferred into a beneficiary's investment account
  - Tangible property delivered directly
- [ ] Record every distribution: amount, asset, recipient, and date.
- [ ] Distribute the reserve once remaining obligations are satisfied.

On early distributions. Partial distributions are sometimes appropriate, but two risks deserve attention. Distributing too much too soon can leave the trust unable to meet obligations that come due later - and a trustee can be held personally liable for an improper distribution. Distributing to one beneficiary and not another in the same position raises questions about the duty of impartiality. Neither risk is a reason never to distribute early. Both are reasons to take advice first.

APPENDIX

What to Bring to Your First Meeting With an Attorney

Arriving prepared lets an attorney assess the administration in one sitting, spot the issues that need immediate attention, and give you a realistic timeline instead of a general answer.

- [ ] Several certified copies of the death certificate
- [ ] The trust agreement, with all amendments and restatements
- [ ] The Certification of Trust
- [ ] The pour-over will
- [ ] Schedule A and any other schedules of assets
- [ ] Any Personal Property Memorandum
- [ ] Your list of known assets and liabilities
- [ ] Your list of heirs and beneficiaries, with addresses, email addresses, phone numbers, and relationship to the settlor
- [ ] Anything else you think might matter, including documents you are unsure about

If You Would Like Help With Any of This

Most people named as successor trustee have never administered a trust before, and are doing it while grieving. The legal work is manageable. It is the deadlines nobody mentions, the assets left outside the trust, and the family dynamics that catch trustees out.

Amichai Law, APC works with successor trustees throughout California on beneficiary notices, asset transfers, real property and property tax issues, assets left outside the trust, and the distribution process from calculation through to release.

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