Settling an Estate with Efficiency and Care — Guidance for the Personal Representative

August 11, 2025
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When someone dies, the task of settling the person's estate descends upon the personal representative.
Being appointed a personal representative, or "executor," is an honor that includes a broad range of responsibilities. This person must be part administrator, part accountant, and part diplomat!

Depending on the complexity of the estate, the process can drag on for years, or the estate can be opened and closed the same day. A typical estate takes nine months to a year to close. Regardless of how complex the estate is, the personal representative may want to begin with a phone call to an estates and trusts attorney for guidance.

The attorney can simply point the personal representative in the right direction during a single consultation. Or the attorney can assume some or all of the duties of the personal representative, making the process considerably less burdensome.

The challenge for most people settling an estate is that they do this only once in their lives, and therefore have to learn on the job. Here is an overview of the steps involved.

Secure the Home
If a house is sitting vacant as a result of the death, it is important to protect the property and its contents. Any valuables should be removed and kept in a safe place. Windows and doors should be locked and the alarm set, if there is one. If other people have keys to the house, consider having the locks changed. Mail should be forwarded to the personal representative, and a trusted neighbor should be asked to keep an eye out for any packages or fliers left at the door.

It is also important to pay any mortgage installments, condominium fees, utilities, or property taxes as they become due. If funds for these expenses are not immediately available, the personal representative can advance these costs and seek reimbursement from the estate when possible.

Locate the Will
To open the estate, you will need the original will—not a photocopy. Once located, the will should be filed with the Register of Wills, even if the decedent had no assets. (If there is no will, the person has died "intestate" and the assets will be distributed according to Maryland's rules of intestacy.)

Upon opening the estate, the personal representative will receive "Letters of Administration," putting him or her in charge of the estate and its assets. A tax ID number can then be obtained, and an estate checking account opened.

Notify Agencies of the Death
Banks and brokerage houses should be notified of the death, as well as insurance, credit card, and utility companies, and

credit-reporting agencies. If the person received Social Security or other government benefits, notify the agencies that provided them.

Marshal the Assets

It may be advisable to liquidate any securities and other investments to lock in the value as close to the date of death as possible. The proceeds from any liquidated accounts should be deposited in the estate checking account.

Prepare an inventory of the estate assets, including cars and household items, as well as real estate (whether in Maryland or elsewhere), bank accounts, CDs, investment portfolios, and life insurance policies. The inventory must include the date-of-death value of each item and be filed with the Register of Wills.

Determine whether any of the assets name a beneficiary or have a co-owner. Those that do may be “non-probate” assets, which will transfer to the beneficiary or co-owner directly and are not part of the probate estate.

Run the Numbers

Creditors of the deceased have six months to make claims against the estate, and if there are sufficient funds, these will need to be paid from the estate account. Estimate the amount of cash needed to pay the claims and any taxes, and, as necessary, arrange for any assets to be sold for distribution.

Deal with Taxes

A Form 1040 individual income tax return must be filed for the portion of the year the decedent was living. This return is due by April 15 of the following year, just like a standard personal tax return.

If the estate includes bequests to individuals who are not close family members, Maryland's 10% inheritance tax will apply. Unless the will specifically states otherwise, this tax is generally payable by the beneficiary who receives the bequest.

Estate taxes may also apply, depending on the total value of the estate. In Maryland, estates valued at more than $5 million may be subject to state estate tax of up to 16%. At the federal level, estates exceeding $13.99 million in value (as of 2025) may trigger federal estate tax obligations of up to 40%.

In addition, during the course of estate administration, if the estate generates more than $600.00 in income—perhaps from interest or dividends—fiduciary income tax returns must be filed. This includes IRS Form 1041 for the federal return and Maryland Form 504 for the state return.

Because estate and tax matters can be complex, enlisting the help of an accountant experienced in estate administration is often a wise decision.

Make Distributions

Once an accounting showing all estate activity has been filed and approved by the Register of Will, a 20-day waiting begins. If no objects are made to the accounting as filed, it will then be time to distribute the remaining assets to the beneficiaries. The personal representative might first ask each beneficiary to sign a document releasing the personal representative from any future liability in connection with the estate.

Settling an estate is more than a legal obligation—it is a final act of care and respect for the person who has died. By carrying out their wishes with diligence, fairness, and thoughtfulness, the personal representative helps bring closure not just to the estate, but to the life it represents. Though the work can be complex and at times overwhelming, it is also a meaningful way to honor the departed and ensure that their final wishes are handled with integrity and grace.