ESTATE BANK ACCOUNT AND ACCOUNTING SYSTEM

	NA	L	S	DATE	INITIALS
57. Determine if estate will be a separate taxpayer or whether an estate bank or brokerage account is to be opened. If so, a separate **employer identification number (EIN)** will be required. If client does not already have such a number, it may be obtained as follows:					
a. Complete IRS Form SS-4, Application for Employer Identification Number (FF 6). *Note:* If estate is engaged in an active trade or business, Items 12 through 15 of IRS Form SS-4, Application for Employer Identification Number (FF 6), may require modification. This form must be prepared for the signature of and actually be signed by one executor or administrator.					
b. Arrange to have IRS Form SS-4, Application for Employer Identification Number (FF 6), signed by an executor or administrator. If mailing, prepare and send Letter 24 to executor or administrator, together with completed IRS Form SS-4, Application for Employer Identification Number (FF 6). *Note:* It is possible to obtain this number if the executor or administrator is present by completing Form SS-4, Application for Employer Identification Number, through accessing the IRS website, **www.irs.gov**.					
c. If mailing, prepare and send Letter 25 to IRS, together with completed IRS Form SS-4, Application for Employer Identification Number (FF 6).					
d. When notified by IRS of employer identification number, enter as Item 26.13 of MIL and advise executor or administrator of the number.					
e. File all relevant documents in file folder entitled "Fiduciary Income Tax Returns."					
58. Establish **bank account(s)** for estate. *Note:* It is not appropriate to establish bank account(s) in MT, SE, or PDH proceedings.					
a. Obtain and complete appropriate signature cards and have them signed by all executors or administrators.					
b. Furnish bank with employer identification number (EIN) for estate, letters testamentary or letters of administration, and signed signature cards.					
c. Order printed checks and deposit slips.					

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d. Have account styled "Estate of (Item 6.02 of MIL), Deceased."					
e. When you have the account number, order rubber stamp "For Deposit Only to the Estate of (Item 6.02 of MIL), Deceased, Account Number (Item 11.11 of MIL)." Determine price, arrange for payment, and charge to client's account. *Note:* If the executor or administrator is an individual, particularly one with no business experience, the attorney should consider retaining custody of the estate checkbook and having all bank statements sent to the attorney's office.					
f. Make initial deposit, including D's cash on hand, traveler's checks, and checks undeposited at D's death.					
g. Plan for investment of estate funds during administration.					
h. Consider establishing **savings account** for estate.					
(1) Obtain and complete appropriate signature cards and have them signed by all executors or the administrator.					
(2) Furnish bank with employer identification number (EIN) for estate, letters testamentary or letters of administration, and signed signature cards.					
(3) Have account styled "Estate of (Item 6.02 of MIL), Deceased."					
i. Evaluate cash requirements and arrange for funds necessary to pay debts, taxes, and expenses of administration (see Worksheet 10).					
59. Establish **accounting system** for estate and determine whether to use cash or accrual method.					
60. See Special Instruction 19—Fiscal Years, select **fiscal year** for estate, and enter ending date as Item 26.14 of MIL. Complete all parts of Items 54 and 55 of SDL.					
61. Provide appropriate **IRS** notices.					
a. Give IRS **notice of fiduciary relationship**.					
(1) Complete IRS Form 56, Notice Concerning Fiduciary Relationship (FF 7).					
(2) Arrange to have IRS Form 56, Notice Concerning Fiduciary Relationship (FF 7), signed by an executor or administrator. If mailing, prepare and send Letter 24 to executor or administrator, together with completed IRS Form 56, Notice Concerning Fiduciary Relationship (FF 7).					

	NA	L	S	DATE	INITIALS
(3) Prepare and send Letter 26 to IRS, together with completed IRS Form 56, Notice Concerning Fiduciary Relationship (FF 7), and a copy of letters testamentary or letters of administration.					
b. Determine if appropriate to **change D’s address** with IRS and, if so, do the following:					
(1) Complete IRS Form 8822, Change of Address (FF 13).					
(2) Arrange to have IRS Form 8822, Change of Address (FF 13) signed by an executor or administrator. If mailing, prepare and send Letter 24 to executor or administrator, together with completed IRS Form 8822, Change of Address (FF 13).					
(3) Prepare and send Letter 31 to IRS, together with completed IRS Form 8822, Change of Address (FF 13).					
c. To authorize IRS to **deal directly with attorney**, do the following: (1) Prepare IRS Form 2848, Power of Attorney and Declaration of Relationship (FF 10).					
(2) Arrange to have IRS Form 2848, Power of Attorney and Declaration of Relationship (FF 10), signed by an executor, administrator, or other proper person. If mailing, prepare and send Letter 24 to such person(s), together with completed IRS Form 2848, Power of Attorney and Declaration of Relationship (FF 10).					
(3) If using this power of attorney for purposes other than estate tax return, prepare and send Letter 97 to IRS, together with completed IRS Form 2848, Power of Attorney and Declaration of Relationship (FF 10). Otherwise, place signed copy in file folder entitled “Federal Estate Tax.”					