

Information Needed to Prepare a 2023 Form 1041 Fiduciary Income Tax Return for an Estate or Trust

If you are probating an estate for a decedent which generates more than \$600 of income including stock or real property proceeds, you have to file a fiduciary income tax return form 1041 for 2023. It may also be necessary to file a final 1040 tax return for the decedent covering the period from January 1 to the date of death.

If you have a complex trust that generates more than \$100 of income or a simple trust that generates more than \$300 of income you also need to file a 1041 tax return. A “complex trust” is a trust that retains current income in the trust, or distributes trust principal, or has a charitable organization as a beneficiary. A “simple trust” is a trust that is required to distribute all of its annual income to the beneficiaries, but no principal may be distributed. If you want our firm to prepare the 1041 we need the following information:

1. The Estate or Trust Taxpayer Identification Number (TIN). If you do not have this and would like our firm to get it for you, we will need the Executor’s name, address and social security number;
2. All income information including but not limited to stock and bond sales reported on 1099-B, dividends reported on 1099-DIV, and interest income reported on 1099-INT;
3. Death Certificate of the Decedent;
4. Short Certificate or Letters Testamentary Appointing the Executor;
5. Copy of the signed Will if the decedent died testate;
6. Names, addresses and social security numbers of all beneficiaries;
7. Copy of REV-1500 PA inheritance Tax Return including Schedules A if real estate was sold, and schedules H and I showing estate expenses including attorney and accounting fees, probate fees, fiduciary fees and real estate taxes paid on estate property and debts of the estate;
8. Copy of the signed Settlement sheet (ALTA) for all estate real property sold in 2023;
9. Expenses incurred to fix up the property that was sold in 2023, including repairs and utility bills from the date of death to the date the property was sold;
10. If the Executor is going to make any distributions by March 5, 2023 that they want to count in the 2022 tax year, using the sixty (60) day rule election.

If you have any questions feel free to contact Gregory J. Spadea at 610-521-0604. Spadea & Associates, LLC located at 1300 MacDade Blvd., Suite 1, Folsom, Pennsylvania 19033.