

TRUST SALES TIPS

PROPERTY HELD IN TRUST – ORIGINAL GRANTORS ARE DECEASED

Some long-term ownerships may take more time for title clearance. We recommend you contact your escrow officer at listing to begin the title report process to ensure there are no last minute surprises!

AGENT CHECKLIST

- Submit fully executed Representative Capacity Signature Disclosure (C.A.R. form RCSD-S)
- Order any needed city reports early to ensure a timely close.
- Ask escrow to order preliminary title report at listing. This will enable the title officer to fully examine title and reveal any issues or clouds on title early which could otherwise delay closing.
- Submit a full copy of the trust if required.

SUCCESSOR TRUSTEE CHECKLIST

- Consult with a tax professional and obtain a tax ID to complete the required tax forms at closing, such as the 1099-S, which reports the sale to the IRS and the California 593.
Information on how to obtain the tax ID can be found on the IRS website:
<https://www.irs.gov/businesses/small-businesses-self-employed/deceased-taxpayers-understanding-the-general-duties-as-an-estate-administrator>
- Be prepared to provide certified copies of death certificates for all deceased property owners or original trustees.
- Have a full copy of the Trust Agreement ready in case the title insurer requires it prior to closing.
- Make arrangements for the proceeds from the sale. Keep in mind, the proceeds must be paid to the seller in the same manner in which they hold title. Ensure there is a bank account payable to the trust into which proceeds can be deposited.

TRUSTEE CHECKLIST – PROPERTY HELD IN TRUST - ORIGINAL GRANTORS ARE LIVING

- Make arrangements for the proceeds from the sale. Keep in mind, the proceeds must be paid to the seller in the same manner in which they hold title. Ensure there is a bank account payable to the trust into which proceeds can be deposited.
- Consult with a CPA to ensure the tax forms required at closing are completed in the same manner the CPA will file the tax returns.

Tax Saving Tip: If children or grandchildren inherit the property at time of death, they can explore applying for a tax exemption that excludes the property from reassessment. Consult with an attorney or CPA for legal or tax advice.

For more information, check out these county websites:

Los Angeles County: <https://assessor.lacounty.gov/proposition-58-and-proposition-193/>

Orange County: <https://www.ocgov.com/gov/assessor/programs/parentchild>

San Diego: <https://arcc.sdcounty.ca.gov/Pages/pcexclusions.aspx>

Riverside: <https://www.asrclrec.com/parent-to-child-exclusion>

San Bernardino: <https://sbcountyarc.org/services/tax-savings/>

Ventura: <https://assessor.countyofventura.org/taxsavings/familytransfer.asp>

Imperial: <https://assessor.imperialcounty.org/forms/>