GEMMER ASSET MANAGEMENT LLC
LOCAL PARTNER GLOBAL INVESTING

# Advisor Connect

Operations Newsletter

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## Deceased Client Paperwork

### Where To Start

**Important things to remember for deceased clients:**

· An original death certificate is not required.  A copy is acceptable.

· All IRAs require an Inherited IRA Application.  This includes spousal rollovers.

· There are four different Inherited IRA Applications. Individual, Trust, Estate and Organization.

· If the Tax ID on the trust account is changing, you must open a new account and journal funds from the original account to the new account.  Successor trustee pages of the trust and a notarized signature may be required.

· Please have the client contact their CPA if a step-up of cost basis is acceptable for this account. This applies to taxable accounts.

· If the deceased is the sole account holder, Schwab will lock down the account once they are notified that the account holder has passed. This restricts withdrawals, trading and pulling fees.

For a full list of required documents, refer to the Deceased Client Checklist under the advisor section of the Gemmer Website.

## Check Deposits

There are **two** easy ways to deposit checks into your client's Schwab accounts.

**1.** You or your client can walk the check into your local Schwab branch where they deposit the check immediately and send you off with a deposit slip. (Please note that most branches offer this service, but always check online before you make the trip).

**2.** You can mail the check to our office with the following information:
- Make check payable to Schwab or Charles Schwab
- Account number on the memo line
- If applicable, indicate contribution year on memo line (all checks without the indication will automatically be coded for the current year)
- Please include a note instructing if we can fully invest the new money.

## Cyber Security Tips

**New to our newsletter is the Cyber Security Tips and Tricks!**

With the tax season around the corner here are some of the most common tax season fraud schemes:

**Tax Refund Scams**
Scammers can obtain a victim's personal details and file a false tax return early in the season, so the IRS receives and processes the fraudulent return before the victim files a legitimate return. The funds are then sent to addresses where criminals can easily intercept the mail.

**IRS Impersonation Scams**
Fraudsters are actively employing spoofing techniques to make calls and emails that appear to come from the IRS. In these communications, they contact individuals and demand immediate payment of taxes that are supposedly "owed", insisting the funds must be sent by wire or prepaid debit card. Individuals may also be informed they are entitled to a large tax rebate and need to provide their banking information for the credit. Once they provide these details, the fraudsters then use the information to withdraw funds.

**Tips and Resources to Prevent and Reduce the Risk of Fraud Before it happens:**

1. Remind clients that the IRS communicates by mail only and will NOT call taxpayers, nor will they ever request credit card, debit card or bank information over the phone. The IRS will not require payment via prepaid debit or gift cards. In 2014, the IRS halted 19 million suspicious returns.

2. Visit the IRS Tax Scams / Consumer Alerts (https://www.irs.gov/newsroom/tax-scams-consumer-alerts) and Current Tax Tips (https://www.irs.gov/newsroom/irs-tax-tips) pages for ongoing updates on tax scams.

## Ask your Operations Experts

### Question: What is a Form 5498?

A Form 5498 is a tax document that illustrates IRA contributions for the prior calendar year. All custodians generate the Form 5498 document in May.  The client can find this information on their **12/31 statement** in order to file their taxes on time.