

**HOW TO PREPARE AN ESTATE INVENTORY -- FORM 350ES
(FORM 350ES MAY BE FOUND ON THE SC JUDICIAL DEPARTMENT WEBSITE)**

Why is an Inventory required?

One of the jobs of the Personal Representative (PR) is to report accurate information about the Decedent's assets. This preserves clear title to and income tax bases for real property, ensures that heirs and devisees know what assets they should receive, and informs the Decedent's creditors whether there are assets available to satisfy the Decedent's debts. ALL of the Decedent's probate property, whether located in or out of South Carolina, must be listed on the Inventory. NOTE: *only* the Decedent's assets are liable for payment of the Decedent's debts or claims against an estate.

When is the Inventory due?

Ninety (90) days after the appointment of the PR -- may be extended with Court permission.

Where do I find the form?

This is a *mandatory* form. You may either contact the Court and the form will be mailed or emailed to you, or you may go to the S. C. Judicial Department website: <https://www.sccourts.org>, Court Forms, click on the drop down menu to choose the Probate Court, and download the Inventory and Appraisal form (350ES).

Which Inventory and Appraisal form do I use?

Most PRs file the "short form" – Form 350ES SF – which includes only the Decedent's probate assets. Property that's owned jointly with rights of survivorship, life insurance policy proceeds or annuity payments directly to a beneficiary, and IRA, Keogh and 401(k) accounts with beneficiary designations are usually non-probate assets and are not listed on the Inventory. It's the PR's responsibility to complete the form; estate paralegals are not able to assist with its preparation nor are they responsible for its accuracy. It will be returned, however, if it's not prepared correctly.

How do I fill out the form?

CAREFULLY READ THE SMALL PRINT ON THE FORM. Each of the nine Schedules describes which assets go on that Schedule. You may call or email one of the estate paralegals if you have a question but again, they cannot give legal advice. (The Probate Judge will conduct monthly information sessions about preparing the Inventory beginning in January 2022.) After you fill in the description of the asset, the percentage of the asset owned by the Decedent, and the fair market value of the Decedent's interest in the property, you transfer the total of each Schedule to the Recapitulation on page 1 of the form, and then add the figures in the Recapitulation to come up with the "GROSS VALUE OF PROBATE ESTATE." Although you list Encumbrances on page 2, you don't deduct the encumbrances from the values in the Recapitulation on page 1.

What should I know about Schedule A:

This shows the Decedent's real estate. Could be a house and lot, vacant land, acreage, etc. A lot of detail is required but it will be helpful to the PR, the devisees and heirs, and title examiners or taxing authorities down the road. A formal appraisal is NOT required although the PR must assign a reasonable fair market value to the property. You may wish to talk to a professional about the current "step up" in basis for the assets. You must describe the Decedent's interest in real estate in SC and any other state where he or she owned an interest in real property. Be sure to show only the percentage interest owned by the Decedent, e.g. if the Decedent owned 50% of a house and lot and it's worth \$100,000, you would show only a \$50,000 value on Schedule A.

To obtain the York County tax map number and Record/Deed Book and page number, you may search by the Decedent's name on the York County website. Got to www.yorkcountygov.com, then Departments,

Clerk of Court, Register of Deeds, Land Record Search 1982-current, "Accept," fill in the name of the Decedent in the "Grantee" line, "Search," choose the name, then click "Display Detail Listing." You may click on TIFF/PDF in the far right hand column to see the document.

What should I know about Schedule B:

READ THE SMALL PRINT ON THE SCHEDULE. With this Schedule and all other Schedules on the Inventory, you are required to report only the Decedent's *probate* assets. If an asset was owned by the Decedent jointly with another person with rights of survivorship, it's not a probate asset.

What should I know about Schedule C:

READ THE SMALL PRINT ON THE SCHEDULE. Note: if the Personal Representative receives a settlement on behalf of the Decedent as a result of a personal injury action, only the portion of the settlement allocated to the survival action is shown on Schedule C.

What should I know about Schedule D:

Report only life insurance proceeds PAYABLE TO THE ESTATE. If the insurance policy has a beneficiary designation, the insurance company is contractually bound to pay the proceeds to the beneficiary, BUT If all the beneficiaries have died or there was never a beneficiary named, the insurance proceeds will come into the estate.

What should I know about Schedule F:

INCLUDE DETAILED INFORMATION about titled vehicles. Unless a Decedent owned valuable antiques, art collections, gun collections, etc., it's not necessary to list specific items or assign large values to household and personal effects. Though they may have sentimental value, they don't have a lot of monetary value.

What should I know about Schedules G, H and I.

These Schedules are rarely used, but contact the Court with questions.

Encumbrances:

List mortgages, home equity lines, car loans, etc., but do not deduct from the total on the Recapitulation.

What happens after the Inventory is filed? The SC Legislature has set "property valuation fees." SC Code §8-21-770. After an accurate Inventory is received, the estate paralegal files it and prepares an invoice for the fee based on the values shown which is mailed or delivered to the Personal Representative. The fees must be paid before the Estate may be closed.