



Estate Administration for Personal Representatives Part 5: Preparing and Filing an Account

The video series, “Estate Administration for Personal Representatives,” and the accompanying tip sheets cover the role of the personal representative, filing requirements while the estate is open, tips on managing the estate, how to prepare an Account, claims against the estate, distributing estate assets, and closing the estate. This tip sheet covers preparing and filing an Account.



What is an Account?

- An **Account** summarizes the estate’s assets, all financial transactions, and the estate’s financial balance.
- An Account is not required for small estates.

The First Account

- Within **nine months** after your appointment as personal representative for a regular estate, file your first Account. This may also be called the initial Account.
- There is no form to use for an Account. There is a [sample account](#) in the packet of information that the Register of Wills gave to you. There is also a sample on the Register of Wills website, registers.maryland.gov.
- When you file the first Account, file with it the Verification of Account and a Certificate of Service.
 - You, as the personal representative, are required to verify that the Account is true and complete for the period of time that it covers.
 - A notice must be sent to all interested persons. Your certificate of service will state that you sent the notice, who you sent it to, and what the notice contains. The notice must state particular information. Read the law to find out more at [Maryland Rule 6-417\(d\)](#).
 - You can find samples of the [verification and certificate of service](#) on the Register’s website.
- If you are ready to distribute the remaining balance of the estate’s property when filing your first Account, it will be your First and Final Account.



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- Remember, you will pay outstanding debts and claims before distributing what is left in the estate to heirs or legatees.
- Your Account should begin with the total value of the estate's assets reported on your Inventory.
- Then, list any income received during the administration of the estate, also known as **receipts**. This may include:
 - Rental income
 - Dividends from stock
 - Interest in the estate bank account
 - Refunds
 - Reimbursements
 - Other income
- For the gain from a sale of an asset, such as a home or stock, you can list this on your Account as a change in value of the asset.
- Add the total income received to the total value of the estate.
- List all payments of estate expenses. These payments are referred to as **disbursements**. This may include:
 - Funeral expenses
 - Court costs and probate fees
 - Family allowances
 - Medical bills
 - Mortgage payments
 - Real estate taxes, insurance, utility bills, and any fees required to preserve property
 - Payments made to satisfy claims against the estate (typically for debts)
- Maryland law specifies the order in which to pay expenses. For more information, view tip sheet 91 or watch Part 4 of this video series.
- Subtract the total disbursements (payments of expenses) from the total value of the estate. Once subtracted, you will have the remaining value left in the estate.
- Remember to keep clear records of the estate's income and the expenses paid. Retain copies of proof of income and payments, such as checks, bank statements, and receipts.
- Your final Account will also include information on any distributions, meaning transfer of property to heirs or legatees.

Get Help

- If you do not have a lawyer, consider making an appointment with the Register of Wills' auditing department. The auditor will review your Account before you file it. They can let you know if there is something to correct.
- For legal help, reach out to an estate lawyer.

File the Account

- Make copies of the Account and mail a copy to each interested person.
- Remember to include a certificate of service with your Account that states you notified all interested persons.
- Once you have mailed copies to all interested persons, you can file the Account.

What Happens After You File an Account?

- The Register of Wills will audit the Account.
- The Register may ask you for proof of a disbursement (payment of an expense) or distribution (transfer of property to an heir or legatee).
- When the Register is done with the audit, the Register will send the Account to the Orphans' Court.
- The court will review the Account. If the court has no further questions, it will issue an order that approves the Account.
- Within 20 days of the court's order, an interested person who disagrees with the Account can file exceptions.

Exceptions

- An interested person may file exceptions for several reasons. Often, an interested person may file exceptions because they disagree with the numbers in your Account. An interested person may also file exceptions if they believe not all probate property was included.
- After exceptions are filed, you can respond by filing an Answer. If you need to respond to exceptions, consider speaking to a lawyer.
- The Orphans' Court will have a hearing on the exceptions. The court will decide whether your Account can remain as you prepared it or if you have to amend it.

Subsequent Accounts

- **Six months** after the approval of your first Account, the second Account will be due.
- Your second Account will start with the estate value stated at the bottom of your first Account. As with the first Account, the second Account will show whether the estate has received income or expenses have been paid.
- The process for the second Account is the same as the first Account. File it no more than 6 months after approval of the last account.
- If you are not ready to make distributions to legatees and heirs, then a third Account will be due six months after the approval of the second Account.
- Once you are ready to distribute the remaining property to the legatees or heirs, you can file a Final Account.
 - Add the words "and Final Account" to the title of the document. For example, "Second and Final Account".
- View tip sheet 94 or watch Part 7 of this video series for more information on the Final Account, closing the estate, and making distributions.