

CLIENT GUIDE | DECEASED ESTATES

# Deceased Estates Guide

Winding up an estate in South Africa,  
clearly explained for executors and families

Administration of Estates Act 66 of 1965 | Updated June 2026

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## About this guide

Jansen Accountants & Auditors | Deceased Estates | Updated June 2026

We extend our sincere condolences. This guide is here to make winding up your loved one's affairs as clear and manageable as possible.

Losing someone is hard enough without an unfamiliar legal process on top of it. This guide explains, step by step, what happens when a person dies in South Africa: the first practical things to do, how the estate is reported, who does what, the forms involved, how marriage regime, retirement funds and policies affect the outcome, how debt and the family home are dealt with, and what it costs and how long it takes.

It reflects the Administration of Estates Act 66 of 1965, the Estate Duty Act 45 of 1955, the Income Tax Act 58 of 1962, the Pension Funds Act 24 of 1956, the Maintenance of Surviving Spouses Act 27 of 1990 and current Master of the High Court practice as at June 2026. Each estate is unique, so use this as a map, not a substitute for advice.

### How to read the boxes in this guide

A **JACC insight** explains a point plainly, a **Planning opportunity** points to something worth doing, and a **Common estate pitfall** warns of what goes wrong. A note from our partner appears where experience matters most.

### Professional disclaimer

This guide does not constitute personal, legal or tax advice. Estates differ widely, and a single asset, marriage regime or foreign element can change the process and the outcome. Speak to us before acting.

## The estate at a glance

### Key facts and timelines

<b>14 days</b> To report the death	<b>R250 000</b> Small-estate threshold	<b>6 months</b> To lodge the L&D; account	<b>21 days</b> Account lies for inspection
<b>30 days</b> Creditors to claim	<b>3.5% +VAT</b> Executor's fee on assets	<b>R3.5m</b> Estate duty abatement	<b>R440 000</b> CGT exclusion at death

## The first things to do

### Practical steps in the early days

In the first days after a death, a few practical steps protect the family and the estate. There is no need to rush the legal process, but do attend to the following:

### Documents and information

- Find the original identity document and the latest original will, if there is one.
- Make certified copies of the ID, the will, the Notice of Death (Form BI-1663), the death certificate, marriage certificate and antenuptial contract, any divorce or maintenance order, the birth certificates of minor children, title deeds, vehicle papers, firearm licences and the last tax return.

- Gather financial information: bank statements, the last salary slip, bond and municipal accounts, share certificates, business documents, and all policies (life, household, vehicle, provident or pension, annuities and funeral cover).
- Collect post relevant to the estate, and report the death to SARS.

#### JACC insight

You can certify copies free of charge at any police station or attorney's office. Make sure the commissioner of oaths signs, stamps and dates every page, that copies are clear and not faded, and that the stamp is not smudged. The Master rejects poor copies.

#### Protect the family and the assets

- Make sure the surviving spouse, any dependent minor children and pets have a safe place to stay and are cared for.
- Make sure the home is occupied and looked after, and that vehicles, firearms and other movables are kept safe.
- Identify the debit orders and monthly payments, and maintain the essential ones (insurance, municipal accounts, school fees).
- Cancel non-essential subscriptions and close social media accounts.

#### Charlton's insight

*The single most common mistake families make is paying debts or sharing out money before the executor is appointed. Until the Master issues Letters of Executorship, no one has authority to deal with the estate, and well-meant early payments can create real problems later. Maintain the essentials, but hold everything else until the appointment comes through.*

## ■ Documents we need from you

### To get started quickly

To open the file and report the estate, please let us have the following. We will tell you which originals are needed and which can be copies.

- Death certificate and the Notice of Death (Form BI-1663).
- The deceased's identity document, and the original will and any codicils.
- Marriage certificate, antenuptial contract, or divorce or maintenance order.
- The deceased's SARS income tax number and latest assessment.
- Bank account details and recent statements.
- Policy schedules: life, funeral and short-term insurance.
- Title deeds of fixed property and the latest municipal accounts.
- Vehicle registration papers and any finance statements.
- Loan, bond and credit card statements.
- Medical aid details.
- Pension, provident, preservation and retirement annuity fund details.
- Firearm licences, and business interests or share certificates.
- Identity documents of the heirs and beneficiaries, and birth certificates of any minor children.

## Who is who in the process

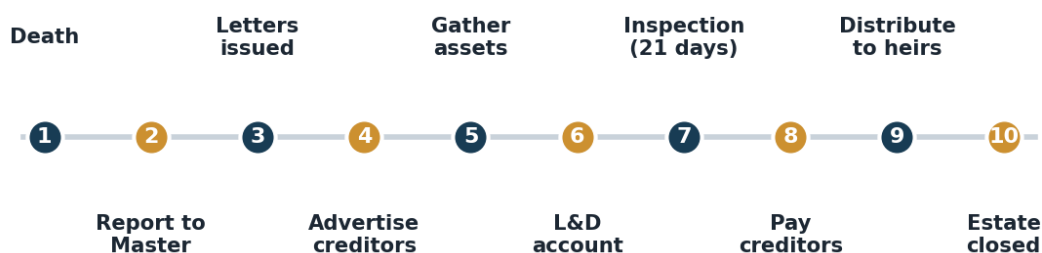
### The four parties

Party	Role
The next of kin	Gather the information and report the death to the Master, and lodge funeral and life-cover claims.
The Master of the High Court	Supervises the administration, appoints the executor, and protects the interests of heirs and creditors.
The executor	Administers the estate: gathers assets, pays debts and tax, prepares the account and distributes to heirs.
Creditors	Lodge claims against the estate and are paid before any heir inherits.

## The process, step by step

### From death to a closed estate

- 1 Report the death** the next of kin reports the death to the Master within 14 days, with the reporting documents.
- 2 Lodge funeral and cover claims** claim funeral cover and any credit-life or life policies from the insurers.
- 3 The Master appoints the executor** by issuing Letters of Executorship (large estate) or Letters of Authority (small estate).
- 4 Advertise and notify** the executor advertises for creditors and notifies the credit providers.
- 5 Creditors lodge claims** credit providers lodge claims, and pay over any credit balances, within 30 days.
- 6 Prepare the L&D; account** the executor compiles the liquidation and distribution account from the estate's financial profile.
- 7 Creditors and Master review** creditors may object, and the Master raises and clears queries on the account.
- 8 Sign-off and distribute** the Master signs off, the account lies for inspection, and the executor pays creditors and heirs.
- 9 The estate is closed** proof of distribution goes to the Master, who issues a filing notice closing the estate.



The estate journey, from death to a closed estate.

## ■ Reporting the estate to the Master

### The forms and documents

When a resident dies, a doctor (or a traditional leader, Home Affairs or police official) completes the Notice of Death, Form BI-1663, which records the cause of death. The undertaker usually obtains the death certificate from Home Affairs, and the green barcoded ID is stamped 'deceased'. The death is then reported to the Master of the High Court in the district where the deceased lived, within 14 days, using the reporting documents below.

Form	Purpose
BI-1663	Notice of Death, recording the cause of death (Home Affairs).
J294	Death notice, reporting the estate to the Master.
J243	Inventory of the assets and liabilities of the estate.
J192	Next-of-kin affidavit, where there is no will.
J190	Acceptance of trust as executor (large estate).
J155	Undertaking and acceptance of Master's directions (small estate).
J262	Undertaking and bond of security, where the executor is not exempted.

You also lodge certified copies of the death certificate, the IDs of the deceased and the nominated executor or Master's representative, the marriage certificate and antenuptial contract (or divorce order), the birth certificates of any minors, a declaration of marriage, a declaration that the estate has not been reported to another Master's office, and proof of the value of the known assets. Where the estate is worth less than R250 000, a list of creditors is also lodged.

#### JACC insight

All the Master's forms are available free, in editable PDF, on the Master's official website, with a reporting checklist. We complete and lodge these for you so they are right the first time.

#### Common estate pitfall

A security bond (Form J262) is required where the nominated executor was not exempted from providing security in the will, or where there is no will and the executor is not the parent, spouse or child of the deceased, and is not a professional executor such as an accounting or attorney firm. Appointing a professional executor may avoid the need for a security bond, depending on the will, the Master's requirements and the appointment.

## ■ Large estate or small estate?

### Letters of Executorship or Authority

	Large estate (over R250 000)	Small estate (R250 000 or less)
Master issues	Letters of Executorship (Form J238)	Letters of Authority (Form J170)
Who acts	An executor	A Master's representative
Estate bank account	Required	Not required
Advertisements	Creditors and inspection notices required	Not required

	Large estate (over R250 000)	Small estate (R250 000 or less)
L&D; account	Required	Not required
Basis	Full process under the Act	Section 18(3) simplified process

Each set of Letters carries the estate's unique number, for example Estate No. 123/2026, which is quoted on all correspondence.

## ■ Marriage regime matters

### It changes what falls into the estate

How the deceased was married is one of the biggest factors in how the estate is wound up. Establish the regime early, because it determines what is available to distribute.

Marriage regime	Effect on the estate
In community of property	One joint estate; the survivor already owns half. The executor administers the whole joint estate, but only the deceased's half is available to heirs after the joint debts.
Out of community, with accrual	Separate estates, but the spouse with the smaller growth has an accrual claim to share the difference. The accrual claim is settled before distribution, and can be a claim by or against the estate.
Out of community, without accrual	Fully separate estates, with no sharing. Only the deceased's own estate is administered.
Customary marriage	Recognised under the Recognition of Customary Marriages Act 120 of 1998, usually in community of property unless an antenuptial contract says otherwise. Polygynous marriages need special care.
Civil union	Treated the same as a marriage.
Foreign marriage	The matrimonial property regime is generally governed by the law of the husband's domicile at the date of marriage. Get advice.

### JACC insight

Where the marriage is in community of property, executor's remuneration and Master's fees are calculated on the gross value of the whole joint estate, not only the deceased's half. A divorce or maintenance order can also create a claim against the estate.

## ■ If the estate is not reported

### Section 19

Where an estate has not been reported to the Master, an interested party, including an heir or a creditor, may ask the Master to nominate an executor to take control of the assets and finalise the administration, under section 19 of the Administration of Estates Act. An estate cannot simply be left unwound; the assets remain frozen until someone is appointed.

## ■ The executor's duties

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### Administering a large estate

Once Letters of Executorship are issued, the executor is legally responsible for winding up the estate. The steps, broadly in order, are:

- Open an estate bank account in the name of the estate.
- Obtain formal valuations of the assets.
- File an income tax return on behalf of the estate.
- Collect the money due to the estate.
- Pay emergency maintenance to the surviving spouse or dependants while the estate is wound up.
- Advertise for creditors (Form J193 in the Government Gazette and a local newspaper); creditors have 30 days to lodge claims.
- Draw up the liquidation and distribution account and lodge it with the Master within six months of the Letters of Executorship.
- Respond to the Master's queries on the account.
- Advertise that the account lies for inspection (Form J187) at the Master's office and the Magistrate's court for 21 days.
- If there are no objections, pay the creditors and distribute the assets to the heirs and legatees, and transfer fixed property into the new owners' names.
- Pay estate duty and capital gains tax to SARS where due.
- Apply for discharge by returning the Letters of Executorship; the Master then issues a filing notice.

### Charlton's insight

*Many people name a family member as executor and assume that is the end of it. The executor can, and usually should, appoint a professional agent to do the work. We act as that agent, so the family member keeps the appointment but we carry the administrative and legal load, and the fee is agreed up front rather than coming as a surprise.*

## ■ Small estates

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### The simplified route

Where the gross value of the estate is R250 000 or less, the Master issues Letters of Authority specifying the assets the Master's representative may deal with. No estate bank account is opened, no advertisements are placed, and no liquidation and distribution account is drawn up. Once the assets are dealt with, the representative gives proof to the Master that proper distribution has been done, returns the Letters of Authority, and the Master issues a filing notice closing the estate.

## ■ The liquidation and distribution account

### The heart of the process

The liquidation and distribution account (the L&D; account) is a written report to the Master, the heirs and the creditors. It sets out the assets, how they have been or will be realised, the liabilities and administration costs, the estate duty, and exactly who inherits what. It must be lodged within six months of the Letters of Executorship, unless an extension is granted, and it lies open for inspection for 21 days after the inspection advertisement, so any interested party can object.

### Common estate pitfall

The six-month deadline is real. Late accounts can trigger Master's queries, follow-ups and delays in getting the account approved. Most delays come from missing information, an unresponsive bank, or a property transfer that has not started, so the earlier the paperwork is gathered, the faster the estate closes.

## ■ Retirement funds

### Section 37C of the Pension Funds Act 24 of 1956

This is one of the most misunderstood points. Death benefits from a pension, provident, preservation or retirement annuity fund generally do not fall into the estate. Under section 37C of the Pension Funds Act, the fund's trustees decide how to distribute the benefit among the deceased's dependants and nominees, balancing the dependants' needs. The trustees are not strictly bound by the beneficiary nomination form, although they take it into account.

- Because the benefit is paid outside the estate, no executor's fee applies to it.
- Retirement fund death benefits are generally excluded from estate duty, subject to the specific product and tax rules.
- The lump sum is taxed in the deceased's hands on the retirement lump sum tables.
- The trustees may take up to twelve months to investigate dependants before paying.

### JACC insight

Keep your beneficiary nominations current, but understand that for retirement funds the trustees have the final say under section 37C. For life policies, the nomination is decisive, which is the key difference between the two.

## ■ Life policies and nominated beneficiaries

### Where the money goes

Whether a policy pays into the estate or directly to a person makes a real difference to liquidity, executor's fees and estate duty.

- A policy with a nominated beneficiary pays directly to that person, outside the estate, so no executor's fee applies and the family gets cash quickly.
- A policy with no nomination, or one payable to the estate, falls into the estate, attracts executor's fees, and is available to settle debts and duty.
- For estate duty, domestic policies on the deceased's life are generally deemed property and included under section 3(3) of the Estate Duty Act 45 of 1955, unless an exemption applies, for example certain buy-and-sell or spousal policies.

### Planning opportunity

Structure your cover deliberately. Cover paid to the estate gives the executor liquidity to settle debt and duty without selling assets; cover paid to a nominated beneficiary reaches the family fast but is not available to the estate. Most plans need a bit of both, and the nominations reviewed after every life change.

## ■ Estate duty

### Estate Duty Act 45 of 1955

Estate duty is a tax on the dutiable value of the estate, levied at 20% on the first R30 million and 25% above R30 million. A basic abatement of R3.5 million is deducted before duty is calculated, so estates with a dutiable value below R3.5 million pay no estate duty.

### Main deductions before duty

- Liabilities and the costs of administration.
- Property and assets left to a surviving spouse (the spousal deduction).
- Bequests to approved public benefit organisations.
- The R3.5 million abatement, plus the unused portion of a predeceased spouse's abatement, which rolls over.

### Planning opportunity

Because the unused abatement rolls over to a surviving spouse, a married couple can effectively shelter up to R7 million between them. Drafting the two wills together, rather than in isolation, is one of the simplest ways to reduce estate duty.

## ■ Tax in a deceased estate

### Two taxpayers, not one

Death creates income tax obligations that are separate from estate duty:

- A final income tax return is needed for the deceased, up to the date of death.
- Death is a deemed disposal for capital gains tax: assets are treated as sold at market value, although assets left to a surviving spouse roll over without CGT.
- The deceased estate itself becomes a separate taxpayer for income earned after death until it is wound up.
- The annual CGT exclusion in the year of death is R440 000, higher than the normal annual exclusion.

*See also: Our JACC Tax Guide and the SARS Comprehensive Guide to Capital Gains Tax.*

## ■ Debt owed to the bank

### Home loans, vehicles and credit

### Home loans

First, establish whether there is active life cover over the bond and how much of the balance it will settle. If there is no cover, a joint bondholder must keep up the monthly payments until the balance is settled from the estate, if the estate is solvent. Where there is not enough in the estate to settle the bond, the surviving bondholder can apply for a section 45 substitution: in effect the joint bond is cancelled and the survivor reapplies for a single bond in their own name, subject to a full affordability and credit assessment. If approved, the bond is registered in the survivor's name alone at the Deeds Office.

## Vehicle and asset finance

Establish whether there is life cover on the vehicle. If not, the estate must settle the balance, or the person inheriting the vehicle takes over the agreement and the payments. Tell the finance house where the vehicle will be kept. A vehicle is a vulnerable asset: if no responsible party takes it on and no payments are made within 30 days of the family being notified, the bank may appoint a collection agent. The family may also choose voluntary surrender and have the bank collect the vehicle.

## Loans, cheque accounts and credit cards

Establish whether there is credit-life cover on the account. If not, the claim is lodged against the estate and the executor includes it in the L&D; account, then arranges for the accounts to be settled and closed.

## Funeral payouts

### Releasing funds for the funeral

Permission from the Master is required before a bank can release the deceased's funds for funeral costs. Usually a family member approaches the Master with the quotes and invoices that justify the request. The Master then issues a formal letter authorising the bank to release the specified amount directly to the named suppliers, such as the funeral parlour. That letter is the authority the bank uses to pay the supplier from the deceased's account.

## Who gets paid, and in what order

### Creditors and dependants before heirs

Heirs inherit only after all creditors' claims, any claim SARS has against the deceased, and any maintenance claims are settled. So even where a property is registered in the deceased's name, if there is no life cover the outstanding bond must be settled before any heir can inherit it. Where there is a cash shortfall, some assets may have to be sold to settle creditors before the heirs inherit anything.

### Common practical pitfall

An estate can be asset-rich and cash-poor. Estate duty, the deceased's final tax, executor's fees and bond settlements all fall due before the heirs inherit. Without enough cash, the executor must sell assets, often the family home, at the worst possible time. Life cover, correctly structured, is the usual answer.

## Maintenance claims

### Maintenance of Surviving Spouses Act 27 of 1990

A will cannot simply ignore a dependent spouse or child. A surviving spouse may claim reasonable maintenance against the estate under the Maintenance of Surviving Spouses Act 27 of 1990, to the extent they cannot provide for themselves from their own means and earnings. Dependent children have a common-law claim for maintenance against the estate. These claims rank as claims against the estate, ahead of heirs and legatees, which matters most where the will leaves assets to other people.

### JACC insight

If a will leaves little or nothing to a financially dependent spouse or minor child, expect a maintenance claim against the estate. Building for these claims into the estate plan avoids disputes and a shortfall later.

## ■ Insolvent estates

### When the debts exceed the assets

If the estate's liabilities exceed its assets, it is insolvent and must be handled carefully. The executor may not pay whichever creditor shouts loudest; creditors must be paid in the statutory order of preference. The executor can either realise the assets and distribute under section 34 of the Administration of Estates Act in the prescribed order, or, with the creditors' consent, surrender the estate to be wound up under insolvency principles. In an insolvent estate, heirs and legatees generally receive nothing.

#### Common practical pitfall

Paying creditors in the wrong order in an insolvent estate can make the executor personally liable for the shortfall. This is exactly the situation where a professional executor earns their fee, by following the correct order of preference.

## ■ Costs and timelines

### What to expect

An estate of any complexity typically takes nine to eighteen months to wind up, longer where there is a business, foreign assets or a dispute. The main costs are:

Cost	Basis
Executor's remuneration	3.5% of the gross value of assets, plus 6% on income collected after death, plus VAT where the executor is VAT-registered (the statutory tariff).
Conveyancing	Transfer of fixed property to heirs or buyers, on the conveyancer's tariff.
Master's fees	A sliding fee based on the value of the estate.
Advertising and sundries	Creditor and inspection advertisements, and bank charges.

#### JACC insight

The executor can only be paid once all other distributions have been made. The executor's fee is negotiable in advance, and is often reduced where a professional agent is appointed by a family executor. Agree the basis up front so there are no surprises.

## ■ Common estate pitfalls

- Distributing money or assets before the executor is appointed.
- Cancelling the deceased's accounts and debit orders too early, before the estate account is open.
- Poor certified copies that the Master rejects, delaying the appointment.
- Overlooking the marriage regime, which changes what falls into the estate.
- Assuming retirement fund benefits or nominated policies fall into the estate; often they do not.
- No liquidity in the estate to pay duty, debt and costs, forcing a rushed sale.
- Ignoring a dependent spouse's or child's maintenance claim.
- An outdated or invalid will, or no will at all, which lets intestate succession decide who inherits.

## ■ Frequently asked questions

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### **How long does it take to wind up an estate?**

Usually nine to eighteen months. Small estates of R250 000 or less are faster; estates with property, a business or a dispute take longer.

### **Does my late spouse's pension fall into the estate?**

Usually not. Retirement fund death benefits are distributed by the fund's trustees under section 37C of the Pension Funds Act, outside the estate.

### **Can the family access money straight away?**

Not from the estate until the executor is appointed. Funeral costs can be released with the Master's permission, and a surviving spouse may apply for maintenance in the meantime.

### **What if the estate owes more than it owns?**

It is insolvent and must be wound up in the correct order of preference, or surrendered under insolvency principles. Heirs generally receive nothing.

### **What if there is no will?**

The estate is distributed under the Intestate Succession Act, which may not reflect what the deceased wanted, and a next-of-kin affidavit (Form J192) is required.

## ■ Glossary of terms

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**Estate** The net worth of a person: all assets, cash, possessions and liabilities owned or controlled at the date of death.

**Estate bank account** A new account opened in the name of the estate, used by the executor to receive and pay the estate's money.

**Executor** The person appointed by the Master to wind up a large estate. Carries Letters of Executorship.

**Master's representative** The person appointed for a small estate, carrying Letters of Authority.

**Liquidation and distribution account** The written report to the Master, heirs and creditors setting out how the estate is collected, settled and distributed.

**Accrual** The growth in each spouse's estate during a marriage out of community of property with accrual, shared on death or divorce.

**Section 37C** The Pension Funds Act rule under which fund trustees distribute death benefits to dependants and nominees, outside the estate.

**Deemed property** Assets, such as certain life policies, included for estate duty even though they do not pass through the estate.

**Credit life / life cover** Insurance that settles the outstanding debt on an account on the death of the holder.

**Shortfall** The balance left on an account after any insurance or estate payment. The estate must settle any shortfall.

**Substitution of debtor** Removing or replacing a bondholder on a joint home loan after a death, processed as a new loan application (section 45).

**Estate duty** The tax on the dutiable value of an estate, after the R3.5 million abatement.

## ■ How we can help

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### Jansen Accountants & Auditors

We are a Cape Town firm of chartered accountants and registered auditors, and registered tax practitioners. We help clients get this right the first time, and fix it when it has gone wrong.

- Reporting and administering deceased estates from start to finish.
- Acting as agent for a family-appointed executor.
- Estate duty and the deceased's final and post-death tax returns.
- Estate planning, wills and liquidity planning to make the next estate simpler.



#### Talk to us.

Book a consultation at [www.jacc.co.za](http://www.jacc.co.za), call +27 21 554 3482, or email [info@jacc.co.za](mailto:info@jacc.co.za).

## ■ Important notice

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**This guide does not constitute personal advice.** It is general information based on South African law and practice as at June 2026, and must not be relied on as advice. Outcomes depend on the specific facts, and the law and regulatory practice change. Jansen Accountants & Auditors Inc accepts no liability for any loss arising from reliance on this guide. Obtain advice specific to your circumstances before acting.

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