

A guide to tax obligations on deceased estates



Helping you navigate the estate process

Understanding the tax obligations of a deceased estate can add an extra layer of complexity to an already difficult time in the grieving process. However, a solicitor or the Queensland Public Trustee can help guide you through these requirements.

What happens next?

Your solicitor or the Queensland Public Trustee will be working through a number of administrative tasks relating to the estate, such as identifying assets, checking on any debts or money owed, and confirming the beneficiaries of the estate.

One of the final steps in this process is to complete any outstanding taxation items relating to the estate. This might include:

- sending a notification of the death to the Australian Tax Office
- reviewing the deceased's history of tax compliance
- lodging final individual tax returns (if applicable)
- checking any outstanding tax liabilities
- lodging estate tax returns or believes their share is not sufficient, can make a claim
- lodging a final business activity statement (BAS)

Are there any tax obligations if you're a beneficiary?

Australia does not have inheritance or estate taxes, but you may have tax obligations for the assets you inherit.

Until a deceased estate is finalised, it may continue to earn income, perhaps from rental properties, shares or other investments. Any income from the estate, to which you are entitled, needs to be reported on your individual income tax return.

Your solicitor or the Queensland Public Trustee will provide you with all the necessary information to help you complete your tax return.

What if I live overseas?

If you are a beneficiary who lives overseas, your solicitor or the Queensland Public Trustee is required to deduct withholding tax, and potentially pay tax on the Australian-sourced income. This may include capital gains tax that can be from the sale of stocks, bonds or real estate, as an example.

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