YOUR ESTATE GUARD

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Estate Administration in SA

A simple guide to what happens to your estate when you die

Understand the process. Plan for the costs.
A clear guide to the people, paperwork and practical decisions involved in winding up a deceased estate in South Africa.

YOUR GUIDE AT A GLANCE

Getting started / The estate, the will and the Executor

Managing the estate / Assets, debts, tax and costs

Planning ahead / Cash availability and your family

The whole process / Seven stages explained

Information checked 25 September 2026

Most of us spend our lives building something.

A home. Savings. Investments. A business. A vehicle. Personal possessions. Perhaps a pension, life policies or other assets.

We also accumulate responsibilities — a home loan, accounts, taxes and other debts.

When a person dies, all of these financial affairs need to be brought together, dealt with properly and ultimately passed on to the people who are entitled to receive them.

This process is known as **estate administration**, or **winding up a deceased estate**.

It can sound complicated. This guide explains the process in simple terms.

01 What is a deceased estate?

When a person dies, the assets and certain financial interests that they leave behind form what is known as their **deceased estate**.

This may include things such as:

- A house or other property
- Money in bank accounts
- Investments
- Vehicles
- Shares or interests in businesses
- Furniture and personal possessions
- Certain life policies and other financial interests
- Money owed to the deceased

The estate must also deal with the deceased person's debts and financial obligations.

Before inheritances can normally be distributed, the estate has to be properly administered.

02 What happens immediately after death?

One of the important things to understand is that a person's financial affairs do not simply pass automatically to their family when they die.

The deceased estate comes under the supervision of the **Master of the High Court**.

The Department of Justice explains that, at death, the deceased's estate is effectively frozen. Nobody may simply withdraw money from the deceased's bank accounts or deal with estate assets without the required authority. Where the deceased was married in community of property, the joint estate is affected as well.

This is why access to money can sometimes become difficult for a family shortly after a death.

03 The estate must be reported

A deceased estate must generally be reported to the **Master of the High Court within 14 days of the person's death**.

Various documents may be required, including the death certificate, the deceased's original will (if there is one), information about the deceased's marriage, an inventory of assets and documents relating to the person who will administer the estate.

The exact requirements depend on the circumstances of the estate.

> **Start with the documents.** Locate the original will, death certificate, marriage information and an initial list of assets and debts.

04 Who is the Executor?

The **Executor** is the person legally responsible for administering the deceased estate.

Think of the Executor as the person responsible for bringing the deceased's financial affairs together and guiding the estate through the legal administration process.

A person can nominate an Executor in their will.

However, being named in a will does not by itself give that person authority to start dealing with the estate.

The appointment must be recognised by the Master of the High Court.

For estates requiring the full administration process, the Master issues **Letters of Executorship**.

Once appointed, the Executor can formally act on behalf of the estate.

05 What if there is no will?

A person who dies without leaving a valid will is said to have died **intestate**.

This does **not** mean that the person's assets disappear or automatically go to the State.

Instead, the estate is distributed according to South Africa's **Intestate Succession Act**.

The law determines who is entitled to inherit, which may include a surviving spouse, children or other relatives depending on the family circumstances.

Having a valid will therefore gives you much greater control over how you would like your estate to be distributed.

> **Named is not yet appointed.** An Executor nominated in a will still needs the Master’s authority before acting for the estate.

06 What does the Executor actually do?

Once properly appointed, the Executor begins the process of identifying exactly what the deceased owned and owed.

In simple terms, the Executor needs to build a complete financial picture of the deceased.

This can involve:

- Finding and identifying assets
- Obtaining bank balances
- Identifying investments
- Valuing property
- Identifying vehicles and other valuable assets
- Locating policies
- Identifying debts and creditors
- Dealing with SARS
- Dealing with banks and financial institutions
- Collecting money owed to the estate
- Paying valid debts and administration expenses
- Dealing with property transfers
- Preparing the required estate accounts
- Distributing the remaining estate to the beneficiaries

For some estates this is relatively straightforward.

For others — particularly estates involving property, businesses, trusts, multiple investments, complicated family structures or insufficient cash — it can be considerably more involved.

07 Creditors must be given an opportunity to claim

The Executor needs to establish what the deceased owed.

This is important because an inheritance is not simply calculated by looking at what a person owned.

The estate's valid debts and administration costs first have to be dealt with.

In estates following the full administration process, creditors are formally invited to lodge claims against the estate.

This helps the Executor establish the estate's liabilities before the remaining estate can be distributed.

08 Assets need to be valued

The Executor must determine the value of the assets in the estate.

Depending on the estate, valuations may be required for assets such as:

- Property
- Vehicles
- Businesses
- Shares
- Investments
- Valuable personal possessions

This helps establish the **gross value of the estate** — essentially the value of the assets before the estate's liabilities and allowable deductions are taken into account.

09 SARS also becomes involved

Death does not automatically end a person's tax affairs.

The deceased must be reported to SARS, even where no Estate Duty is ultimately payable.

The Executor may have to deal with outstanding tax returns and assessments relating to the deceased as well as tax matters arising in the deceased estate.

SARS ultimately issues a **Deceased Estate Compliance (DEC) letter** once the relevant tax obligations have been dealt with.

10 What is Estate Duty?

Estate Duty is a tax that may become payable on certain deceased estates.

Importantly:

Not every estate pays Estate Duty.

As checked on 25 September 2026, a basic R3.5 million abatement applies when determining the dutiable value of an estate. There are also various allowable deductions, including qualifying liabilities and property accruing to a surviving spouse.

Where Estate Duty applies, the current rate is:

20% on the first R30 million of the dutiable amount; and

25% on the dutiable amount above R30 million.

Estate Duty should therefore not be confused with the total cost of administering an estate.

They are two different things.

11 What is the Liquidation and Distribution Account?

This intimidating-sounding term is actually easier to understand than its name suggests.

The **Liquidation and Distribution Account**, often called the **L&D Account**, is essentially the estate's financial statement.

It shows, amongst other things:

What the deceased owned

minus

What the estate owes and has to pay

and ultimately

How the remaining estate is to be distributed.

In estates where an L&D Account is required, it is submitted to the Master as part of the administration process.

Once the necessary requirements have been met and the account becomes final, the Executor can proceed towards distributing the estate.

12 What costs can arise when an estate is wound up?

This is an area that is often misunderstood.

A person may leave substantial assets but relatively little readily available **cash**.

Unfortunately, administering and transferring those assets can still cost money.

Possible estate expenses can include:

- Executor's fees
- Master's fees
- Advertising costs
- Property valuation costs
- Conveyancing and property-related costs
- Bank charges
- Professional fees
- Tax-related costs
- Costs associated with selling certain assets
- Costs of obtaining documents or valuations
- Existing debts
- Other administration expenses
- Estate Duty, where applicable

The actual costs depend on the estate.

13 How are Executor's fees calculated?

Where the Executor's remuneration has not been determined differently in the will, the prescribed tariff currently provides for remuneration of:

3.5% of the gross value of the estate assets, plus

6% of income accrued and collected after death.

VAT may also apply where the Executor or appointed agent is VAT registered.

This is one reason why the cost of winding up an estate can become significant.

The prescribed minimum remuneration is R350.

14 The difference between wealth and cash

This is perhaps one of the most important concepts to understand.

Imagine someone dies owning:

A house worth R3 million; a vehicle worth R400,000; investments worth R500,000; and personal assets worth R100,000.

On paper, that person may have an estate worth around **R4 million**.

But that does not necessarily mean the estate has enough cash available to pay all of the costs associated with winding it up.

The estate may be **asset rich but cash poor**.

A house has value — but it cannot directly pay an invoice.

If insufficient cash is available, assets may sometimes have to be sold or beneficiaries may need to find another way of providing the necessary liquidity.

This is why **estate liquidity** is an important part of estate planning.

Investments may be convertible into cash, but access can take time and depends on the product and the Executor’s authority. The example below assumes they have not yet been realised.

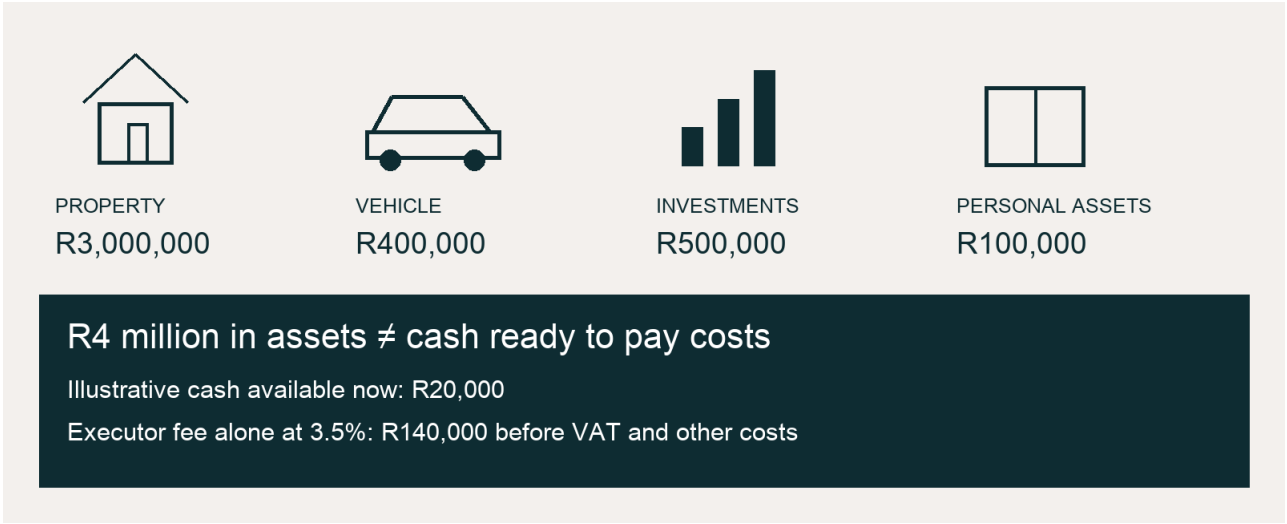


Illustration only. The R20,000 is an assumed available portion of the assets, not an extra asset. This is not a total estate-cost estimate.

15 What happens to the house?

Property does not simply change ownership automatically when somebody dies.

The Executor must deal with the property as part of the estate.

Depending on the will, the circumstances of the beneficiaries and the financial position of the estate, the property might eventually be:

- Transferred to an heir or beneficiary;
- Sold and the proceeds distributed; or
- Dealt with in another legally appropriate way.

A conveyancer may be required to attend to the transfer of property.

Property can therefore be one of the factors that makes an estate more complicated and potentially more expensive to administer.

16 What about life insurance?

Life insurance requires special consideration because not every policy is necessarily dealt with in exactly the same way.

For example, the proceeds of a policy with a nominated beneficiary may in certain circumstances be paid directly to that beneficiary rather than being paid into the estate.

However, life policies can still have estate-planning and Estate Duty implications depending on their structure and circumstances.

Policies should therefore be considered as part of a person's overall estate plan rather than viewed in isolation.

17 What happens when everything has been paid?

Once the administration requirements have been completed, valid debts and expenses have been dealt with, tax matters have been attended to and the estate account has become final, the Executor can proceed with distribution.

The remaining assets or money are transferred to the beneficiaries according to:

the deceased's valid will, or

where there is no valid will,

the rules of intestate succession.

Only at this stage does the estate administration process move towards completion.

18 How long does winding up an estate take?

There is no single answer.

A straightforward estate may be finalised considerably faster than a complicated estate.

The time required can be affected by:

- The complexity of the estate
- Whether there is a valid will
- How quickly the Executor is appointed
- The number and type of assets
- Property transfers or property sales
- Outstanding tax matters
- Disputes between interested parties
- Difficulty locating documents or assets
- Claims against the estate
- The availability of cash
- Processing times at the Master, SARS and other institutions

It is therefore better to think of estate administration as a **process rather than a single transaction**.

19 Smaller estates may follow a simpler process

Not every estate goes through exactly the same procedure.

Where the gross value of an estate is **less than R250,000**, the Master may use the simplified procedure under section 18(3) of the Administration of Estates Act.

Instead of issuing Letters of Executorship, the Master may issue **Letters of Authority** to a Master's Representative.

This can make the administration of qualifying smaller estates considerably simpler.

> **A simpler process still requires authority.** Confirm the applicable procedure and the R250,000 threshold with the Master, especially where the value is close to the threshold.

20 Why does estate planning matter?

Good estate planning is not only about deciding **who gets what**.

It should also consider **how everything will actually happen**.

Useful questions include:

Do I have a valid and up-to-date will?

Does my family know where the original will is kept?

Who have I nominated as Executor?

Does somebody know where to find details of my assets, policies and accounts?

What debts would my estate have to settle?

Would my estate have enough available cash to meet its administration costs?

What happens to my property?

Are my beneficiary nominations up to date?

Would my family have access to money while my estate is being administered?

These questions can be just as important as deciding who inherits your assets.

The important point

An estate is about much more than having a will.

A will tells the Executor **what you would like to happen to your estate**.

Estate administration is the process that makes it happen.

And that process can involve time, professional administration and costs.

Understanding those costs — and making provision for them before they arise — can form an important part of responsible estate planning.

21 Seven stages of estate administration

The entire process can be reduced to seven broad steps. Read from top to bottom.

01 REPORT
The death and estate are reported to the Master.

↓

02 APPOINT
The Executor or Master's Representative receives authority to act.

↓

03 IDENTIFY
The assets, debts, beneficiaries and other financial affairs are identified.

↓

04 VALUE & COLLECT
Assets are valued and money owing to the estate is collected.

↓

05 PAY
Valid debts, taxes and administration expenses are dealt with.

↓

06 ACCOUNT
The required estate accounts are prepared and follow the applicable review and inspection process.

↓

07 DISTRIBUTE
The remaining estate is transferred to the beneficiaries.

That, in simple terms, is the winding up of a deceased estate.

This is an overview, not a rigid timetable. Stages can overlap. Payments and distributions must follow the applicable legal requirements, and the estate account may need review and public inspection before final distribution.

Important Notice

This guide provides general information about deceased estate administration in South Africa and is intended to make the process easier to understand.

Every estate is different. The information should not be regarded as legal, tax or financial advice. Where appropriate, advice should be obtained from a suitably qualified professional.

Information and monetary thresholds can change over time. Current requirements should always be confirmed with the Master of the High Court, SARS or the relevant professional adviser.

Official sources

Key figures and procedures checked on 25 September 2026. The links below are provided so that readers and advisers can confirm current requirements.

Master of the High Court — Reporting an estate

Reporting within 14 days; reporting documents; simplified administration for smaller estates.

Master of the High Court — Frequently asked questions

Executor remuneration: 3.5% of gross assets and 6% of income accrued and collected after death; R350 minimum; VAT where applicable.

Master of the High Court — Deceased estates

Estate administration, authority to act and intestate succession.

SARS — Estate Duty

R3.5 million abatement; 20% on the first R30 million of dutiable value and 25% above that amount; reporting to SARS and the DEC letter.

Keep this guide with your estate-planning documents. Review your will, asset records and cash needs when your family or financial circumstances change.