

Small Estate Assignment

If a decedent's estate is small enough, Michigan law (MCL 700.3982) allows the estate to be probated using an expedited process that does not require the appointment of a personal representative, **takes no notice of any will**, and results in a court order assigning assets. However, this expedited process has several requirements:

1. You must fill out the attached Petition and Order for Assignment (PC 556). **There is a \$25 filing fee, an \$12 certified copy fee for your copy of the order, and a statutorily-mandated inventory fee based on the value of the estate.**
2. The decedent must have been an **Ingham County resident** or was not a Michigan resident but left property in our county.
3. The total value of the estate, subtracting any funeral and burial expenses which are either unpaid or were paid by someone other than the decedent after the decedent's death, is **\$18,000 or less**. [If the decedent died in 2004 or earlier, the cut-off will be less.]
4. Funeral and burial expenses are those expenses directly connected with a funeral or memorial service and with the burial or cremation of the body. **Funeral and burial expenses must be accounted for by a bill from the funeral home.**
5. If someone paid some or all of the funeral or burial expenses for the decedent, **there must be a receipt from the funeral home indicating who paid and the amount paid.**
6. A description and value must be given of all property within the decedent's estate. Statute explicitly requires the valuation to be on **the gross value of the estate**, and so any liens, encumbrances, mortgages, etc., should not be listed.

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7. You must list the **heirs of the decedent**. If the decedent left a surviving spouse, that spouse is an heir. If the decedent left any children, they are all heirs. If a child pre-deceased the decedent, then any children of that child are heirs. If the decedent left no descendants, then the parents (if living) are heirs.

8. Since small estate assignment is an expedited probate procedure, statute is very strict on how a decedent's estate may be assigned using the process.

First, the estate must be applied to pay any unpaid funeral or burial expenses to the funeral home. If the estate is less than or equal to the amount of the unpaid funeral and burial expenses, then all of the estate goes to the funeral home.

Second, if there are assets left over after full payment of the funeral home, then any individuals or entities (including FIA) paying towards the funeral and burial expenses are to be recompensed. If the estate is less than the total amount paid by others, then the estate is to be pro-rated according to the percentage each individual or entity paid.

Third, if the funeral home and any paying funeral or burial expenses have been recompensed and there are still assets remaining, the remainder is to be assigned to the surviving spouse. If there is no surviving spouse, then the remainder is to be assigned to the decedent's heirs. If the heirs happen to be children or other descendants of the decedent, then the assets will be assigned such that each child (whether alive or pre-deceased) represents an equal share.

9. **An individual entitled to receive all or a portion of a decedent's estate through small estate assignment may not him- or herself assign the property to someone else.** However, such an individual may disclaim their interest in the estate, which would then allow the assets to be distributed amongst the other heirs. [A disclaimer form is available if you need it.]

10. The small estate assignment process may not be appropriate in cases where a bulk of the estate is made up of an automobile, household belongings, or real property and there are multiple individuals entitled to the property.