

Tax Season & Your Trust

Frequently Asked Questions

Will I receive a Schedule K-1 from the trust?

- If you received a distribution from the trust in the taxable year, you will get a K-1.

What if I receive a Grantor Letter instead of a K-1 from the trust?

- Grantor trusts report income and expenses on this form in lieu of a K-1.

What do I do with my K-1 or Grantor Letter?

- Give the form to your personal tax preparer.

Why have I not received the K-1 or Grantor Letter from my trust?

- All documents necessary to file the trust return have not been issued.
- If you receive any trust tax information directly, please forward to your Cumberland Trust administrator.

What happens if all trust tax documents have not been received by the filing date?

- The trust will need to file an extension for its filing.

What does it mean if the trust needs to file a tax extension?

- There will be a delay in receiving a K-1/Grantor Letter from the trust, and often, the beneficiary will need to file an extension for their individual tax return.

When does the trust file its return?

- The tax filing deadline is April 15, 2024, for both trust and individual tax returns.

Tax Documents

1099

- Issued on account reporting dividend/interest income.

1099-R

- Issued on retirement accounts that make a distribution.

1099-S

- Issued for real estate transactions.

K-1

- Issued from the trust to the beneficiary after the trust's 1041 tax return is complete.

Grantor Letter

- A Grantor Letter is issued from a Grantor trust in lieu of a K-1.

1041

- Trust Tax Return.

1040

- Individual Tax Return.

Important Dates

January and February:

- Form 1099s begin to be issued.

March and April:

- K-1s and Grantor Letters begin to be issued.
- *Delays in receiving K-1s issued from alternative investments may result in both trust and personal returns filing extensions.*

Tax Return Filing Deadline:

- 4/15/2024

Trust Tax Return Extension Deadline:

- 9/30/2024

Individual Tax Return Extension Deadline:

- 10/15/2024



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