

Probate and administration of estates

When it comes to probate work every case is different which means it is extremely difficult to let you know exactly what our fees will be at the very outset of the matter. With more straightforward estates, it will be much easier for us to give an accurate estimate of the time required to deal with the matter and our fees are likely to be lower. With more complex estates we may need to ascertain full details about the deceased, their assets and circumstances before we can make accurate estimates.

We therefore have several levels of charging as described below.

1. Fixed costs for 'Grant only' applications

In some cases, we offer a 'grant only' service, undertaking the work to obtain a grant of representation on your behalf for a fixed fee, plus the cost of any necessary disbursements.

This is usually in connection with smaller estates where there is a valid will, no Inheritance Tax is payable on the estate and a full Inheritance Tax account (IHT400) does not need to be delivered to HMRC.

Once we have obtained the grant, it will be handed to the proving executors to deal with the ongoing administration of the estate, such as closing bank accounts, gathering in the estate assets and distributing the estate.

Typically, our fixed costs for such applications will be between £500.00 - £800.00 (plus VAT), plus the cost of disbursements.

2: Estate under £300,000, one property, 8 bank accounts or less, no IHT400 needed - £1,500.00 to £2,500.00 plus VAT and disbursements

3: Estate over £300,000, one or more properties, multiple bank accounts, no IHT400 needed - £2,500 to £5,000 plus VAT and disbursements

4. Time spent plus value element

In some cases, we charge a value element in addition to the hourly rate. When this applies it is usual to divide the estate (i.e. total value of the assets left after death) into two parts and charge a percentage of those values:

a) *Property* 0.5% charge

The value of the deceased's home or any other properties owned, or as much of it/them as the deceased owned e.g. if it was shared with another person

b) Value of rest of the estate 1% charge

Final figures will always be reviewed to ensure that the charges are fair and reasonable having regard to all the circumstances.

Examples of estates where a value element might be charged are:

- High value estates
- Estates which include numerous properties or large extents of land
- Those where claims for Agricultural and/or Business Property Relief are required
- Where the deceased had an interest in a private limited company or partnership business
- Where the deceased was either domiciled or had property and assets outside the UK

What services an estate administration can include	1. Grant only application	Level 2.	Level 3.	4. Time and value charges
Identifying who can administer the estate	Yes	Yes	Yes	Yes
Obtaining the Will	Yes	Yes	Yes	Yes
Collecting information in on the value of the estate	No	Yes	Yes	Yes
Arranging payment of funeral costs	No	Yes	Yes	Yes
Checking and putting in place house insurance	No	Yes	Yes	Yes
Liaising with all utility companies, council tax, TV licence, creditors, store card and club memberships	No	Yes	Yes	Yes
Transfer of Inheritance Tax nil rate band or residence nil rate band if required	No	No	Yes	Yes
Short form inheritance tax forms	Yes	Yes	Yes	Yes
Obtaining the grant of probate	Yes	Yes	Yes	Yes
Collecting in assets. Payment of known debts and liabilities	No	Yes	Yes	Yes
Administration of shareholdings, investment portfolios, insurance or pension policies	No	No	Yes	Yes
Placing creditor notices	No	No	Yes	Yes
Reclaim income tax (only if the deceased was NOT a self-assessed tax payer)	No	Yes	Yes	Yes
Reclaim of capital gains tax	No	No	No	Yes
Payment of monetary gifts	No	Yes	Yes	Yes
Preparation of an estate account	No	Yes	Yes	Yes
Distribution of the estate between the beneficiaries and obtaining receipt for payment	No	Yes	Yes	Yes
Estates where the deceased was domiciled abroad	No	No	No	Yes
Undertaking a search for a Will	No	No	No	Yes
Identifying beneficiaries of the estate	No	No	No	Yes

Conduct of the matter where a dispute between the parties arises	No	No	No	Yes
Conveyancing involved in transfer or sale of property	No	No	No	No
Long form inheritance tax return (IHT400)	No	No	No	Yes
Intestate Estates	No	No	No	Yes
Deed of Variation	No	No	No	Yes
Tax planning for deceased's family	No	No	No	Yes

In cases where we charge an hourly rate, these depend on the fee earner and range from £110.00 to £200 per hour plus VAT.

Disbursements

Disbursements are costs related to your matter that are payable to third parties, such as court fees. We handle these payments on your behalf but not all will be necessary in every case:

- Probate application fee of £155.00. Plus £1.50 for each additional sealed copy of the grant required.
- Fee for swearing oath £5.00, plus £2.00 per exhibit (per executor)
- Bankruptcy searches £2.00 (per beneficiary)
- Notice in London Gazette £77.10 to protect against unexpected claims from unknown creditors
- Notice in local newspaper costs £150 - £300 depending on the newspaper. This also helps to protect against unexpected claims.
- Any inheritance tax payable will be due from the estate. You can find HMRC's inheritance tax calculator via the following link:
<https://www.gov.uk/guidance/hmrc-tools-and-calculators>

How long will it take?

It is difficult to say exactly how long it will take to deal with an estate, especially if there is a property to sell or if it is a taxable estate and HMRC make enquiries into the Inheritance Tax account.

A very straightforward estate may take less than 3 months. Larger estates can easily take 6 – 18 months and very occasionally even longer to fully administer the estate. Factors affecting this commonly relate to tax, trusts or properties. In all cases you will be kept regularly updated with progress.