

Charles Coleman & Co

Probate and the administration of estates

When someone dies, we can help to deal with the deceased person's estate. Where there is a will, the person(s) named as executor(s) in the will may need to obtain a Grant of Probate from the Probate Registry. If the person who died did not leave a will, then their estate will be subject to the intestacy rules and usually one or two of the beneficiaries who are entitled to the estate under the intestacy rules will apply for a grant from the Probate Registry to enable them to have the legal authority to deal with the deceased's assets.

As part of this process, a long or short form inheritance tax return will need to be submitted to the Inheritance Tax office. To complete this tax return, it is necessary to collect information about the assets and liabilities of the estate by contacting relevant organisations, obtaining values and details of the deceased's estate. The person(s) appointed to deal with the estate are responsible for dealing with the estate properly and in accordance with the law. Their duties extend to paying estate liabilities, finalising estate tax returns and then distributing the residue of the estate to the correct persons. There are various deadlines and potential difficulties for the unwary, and the person(s) dealing with the estate can find themselves in difficulties if they make mistakes. We offer expertise and experience in guiding you through the process.

Our team

Jo Martin solicitor/director

Jo has over 25 years in advising clients on wills, probate and administration of estates.

How much does our service cost?

Our fees are based on the amount of time we spend dealing with the estate and we charge on an hourly basis. We have found that in practice our charges fall within the following price ranges:

- for estates where no inheritance tax is payable and you just instruct us to put together the application for probate – approximately £750 + VAT
- for estates where you want us to handle everything and there is inheritance tax is payable – up to £7,500 + VAT

The exact cost will depend on the individual circumstances of the estate and will always be fair and reasonable. For example, if there is one beneficiary and no property, costs

are likely to be at the lower end of the range. If there are multiple bank accounts, a property and shares, the costs will be at the higher end. We can provide you with a more precise estimate once we have more information about the estate. Our fees are normally paid from the estate after probate has been granted.

The above indicative ranges are for estates where:-

- (i) there is no more than one freehold/leasehold property;
- (ii) there are no more than 4 bank/building society accounts, and no more than 10 quoted shareholdings;
- (iii) there are no more than 5 cash legatees and 4 residuary beneficiaries;
- (iv) the estate has no unusual assets or liabilities/potential liabilities, and no business interests or private company shareholdings;
- (v) there is no dispute between the beneficiaries about the division of assets, nor is the estate involved with any actual or threatened litigation (including any disputes about the validity or interpretation of the will);
- (vi) there is nothing which complicates the inheritance tax position (e.g. significant lifetime gifts by the deceased or gifts in which the deceased 'reserved a benefit', claims for agricultural or business property relief, complications with claiming the transferable nil rate band or the residence nil rate band, or trusts which the deceased created or had an interest in);
- (vii) the deceased was domiciled in this country and had no foreign assets, and there is no multi-jurisdictional aspect to the estate.

If the estate does not meet any of the above criteria it is likely that the administration of the estate will not be straightforward. More time would usually need to be spent dealing with these complicating factors which in all likelihood would lead to an increase in fees. We are well equipped to assist you with any of these matters and would provide you with a fee estimate for that work once we have more information.

In addition to our fees, the following "disbursements"/additional costs will also be paid from the estate

- Probate Registry application fee of £155, plus £1.50 for each additional copy of the grant (one additional copy per asset usually)
- Bankruptcy – only Land Charges Department searches (£2 per beneficiary)
- £200-300 (approx.) for publication of public notices in The London Gazette and local newspaper – these notices (where applicable) protect against unexpected claims from unknown creditors.

“Disbursements” are costs related to your matter that are payable to third parties, such as Probate Registry fees. We handle the payment of the disbursements on your behalf to ensure a smoother process.

Potential additional costs

- If a significant amount of inheritance tax needs to be paid before applying for probate and that tax is to be raised from anywhere other than the deceased’s bank account e.g. by sale of estate investments prior to probate or by taking out a loan from the bank, then there are likely to be additional costs for dealing with that;
- Dealing with the sale or transfer of any freehold or leasehold properties not included.

How long will this take?

On average, straightforward estates are dealt with within 6-12 months, depending on how long it takes others (e.g. the Inheritance Tax office) to deal with matters. Typically, obtaining the grant of probate takes 3-6 months from obtaining instructions (assuming no inheritance tax is payable) and a short form inheritance tax return can be completed). It will usually take longer where inheritance tax is payable “up front” before applying for probate and a long form inheritance tax return has to be completed. We can give more of an indication about timescale when we have further information about the estate.