

# **PRICE TRANSPERENCY**

## **Guide to Probate Costs**

### **Applying for the grant, collecting and distributing the assets where no Inheritance Tax is payable**

The exact cost will depend on the individual circumstances of the matter. For example, if there is one beneficiary and no property, costs will be at the lower end of the range. If there are multiple beneficiaries, a property and multiple bank accounts, costs will be at the higher end.

As part of our service, we will:

- Provide you with a dedicated and experienced probate solicitor to work on your matter
- Identify the legally appointed executors or administrators and beneficiaries based on the information provided to us
- Accurately identify the type of Probate application you will require based on the information provided to us
- Obtain the relevant documents required to make the application
- Complete the Probate Application and the relevant HMRC Inheritance Tax forms
- Draft statement of truth for you to sign
- Make the application to the Probate Court on your behalf
- Obtain the Probate and securely send two copies to you
- For an additional cost we will collect any known assets and distribute

We will handle the full process for you. This quote is for estates where:

- There is a valid will
- There is no more than one property
- There are no more than two bank or building society accounts

- There are no other intangible assets
- There are no more than two beneficiaries
- There are no more than two executors
- None of the directors or any solicitor in this firm is appointed as an executor (if so will be charged for their time in addition)
- There are no lifetime gifts in excess of the annual allowance
- There are no disputes between beneficiaries on division of assets. If disputes arise this is likely to lead to an increase in costs
- There is no inheritance tax payable and the executors do not need to submit a full account to HMRC
- There is no need to claim the residence nil rate band for inheritance tax
- There are no enquiries by the DWP with regard to pension or other payments made
- The deceased was not self employed
- There are no assets outside of England and Wales
- There are no claims made against the estate

Disbursements that are not included in this fee include the following estimates:

- Probate application fee of £300.00 minimum. This may however increase on 30 days notice proposed maximums have been £6,000.00 to £20,000.00
- Copies of Grant £15.00 minimum to a maximum of £60.00
- Bankruptcy-only Land Charges Department searches (£5.00 + VAT per beneficiary)
- £175.00 + VAT estimated for Post in The London Gazette – Protects against unexpected claims from unknown creditors.
- £175.00 + VAT Post in a Local Newspaper – This also helps to protect against unexpected claims.
- £350.00 + VAT estimated for Will Search

- £500.00 + VAT estimated for valuation of contents of the property
- Bank Transfers/ cheque payments to beneficiaries
- Payment of debts
- Telephone call charges
- Land Registry fees
- Funeral costs and death certificates
- House clearance costs
- Gas, Electric, Telephone and council tax
- Insurance
- Mileage
- Postage
- Estate Agents fees and vat
- Income Tax and Capital Gains Tax plus the costs of filing returns or any fines and interest for the deceased and or the estate
- Tracing Beneficiaries per person between £60.00 to £120.00 + VAT if in the United Kingdom (more if abroad)

Disbursements are costs related to your matter that are payable to third parties, such as court fees. We handle the payment of the disbursements if the estate is solvent apart from the funeral, inheritance tax and probate fees on your behalf to ensure a smoother process.

We anticipate this will take between 12 and 24 hours work at £325.00 per hour + VAT. Total costs estimated at £3,900.00 to £7,800.00 + VAT and Disbursements.

Current Disbursements are likely to increase if there is an increase in court fees. Please note that the court fees are not dependant on the date of death and are in addition to any inheritance tax.

#### Potential additional costs

- If there is no will or the estate consists of any share holdings (stocks and bonds) there is likely to be additional costs that could range significantly depending on the estate and how it is to be dealt with. We can give you a more accurate quote once we have more information.
- If any additional copies of the grant are required, they will cost £15.00 (10 copies are normally obtained).
- Dealing with the sale or transfer of any property in the estate is not included.
- Dealing with the sale or transfer of any shares in the estate is not included or in obtaining copy share certificates or providing indemnities.
- Where a Principal or probate authorised person within the firm is an Executor then there will be costs for their time as explained prior to the appointment

#### How long will this take?

On average, estates that fall within this range are dealt with within 6 to 12 months. Typically, obtaining the grant of probate takes around 26 weeks. Collecting assets then follows, which can take between 6 - 12 weeks however if there is a property involved it will take as long as it takes to complete the sale process including the conveyance. Once this has been done, we can distribute the assets, which normally takes 4 - 6 weeks.

#### **Applying for the grant, collecting and distributing the assets where Inheritance Tax is payable**

Inheritance tax is charged at up to 40% on the taxable estate, gifts to charities are free of tax and the estate could potentially have certain allowances available against it. If the deceased was a widowed parent that inherited all of their spouse's estate then the maximum allowance would be around £1,000,000.00 allowance however if they were unmarried and had no children then the maximum of £325,000.00 allowance would be available, inheritance tax is charged on the amount of the estate at a maximum of 40%.

In addition to inheritance tax there is interest charged on the tax after six months and fines if no return is filed within one year of death. Plus, if you fail to apply for the transferable nil rate band allowance of two years of death you will lose the automatic right to benefit from this allowance.

Where there is a property to be sold another expense is the estate agents' fees which are on average between 1% to 2% of the property value + VAT.

The exact cost will depend on the individual circumstances of the matter. For example, if there is one beneficiary and no property, costs will be at the lower end of the range. If there are multiple beneficiaries, a property and multiple bank accounts, costs will be at the higher end.

As part of our service, we will:

- Provide you with a dedicated and experienced probate solicitor to work on your matter
- Identify the legally appointed executors or administrators and beneficiaries based on the information provided to us
- Accurately identify the type of Probate application you will require based on the information provided to us
- Obtain the relevant documents required to make the application
- Complete the Probate Application and the relevant HMRC Inheritance Tax forms
- Draft a legal oath for you to swear
- Make the application to the Probate Court on your behalf
- Obtain the Probate and securely send two copies to you
- Collect and distribute all known assets in the estate
- We will handle the full process for you. This quote is for estates where:
  - There is a valid will
  - There is no more than one property
  - There are no more than four bank or building society accounts

- There are no other intangible assets
- There are no more than three beneficiaries
- There are no more than two executors
- None of the partners or any solicitor in this firm are appointed as an executor
- There are no disputes between beneficiaries on division of assets. If disputes arise this is likely to lead to an increase in costs
- There is inheritance tax payable and the executors need to submit a full account to HMRC
- There is no disputes or enquiries raised by HMRC as to the value of the property or the amount of inheritance tax payable on the estate
- There is no enquiries by the DWP with regard to pension or other payments made
- There are no assets outside of England and Wales
- There are no claims made against the estate

Disbursements that are included in this fee include:

- Bank Transfers to a maximum of two beneficiaries
- Cheque payments to a maximum of three beneficiaries
- Payment of debts to a maximum of three debts
- Telephone call charges
- Normal photocopying, postage and stationery

Disbursements that are not included in this fee include the following estimates:

- Inheritance Tax at up to 40% of the value of the estate plus any interest on this or fines
- Probate application fee of £255.00 minimum to a maximum set in the future, prior Government proposals to increase it have been up to £20,000.00
- Copies of Grant £15.00 minimum to a maximum of £30.00

- Bankruptcy-only Land Charges Department searches (£5.00 + VAT per beneficiary) + VAT if in United Kingdom, more if abroad
- £1750.00 + VAT estimated for Post in The London Gazette – Protects against unexpected claims from unknown creditors.
- £175.00 + VAT Post in a Local Newspaper – This also helps to protect against unexpected claims.
- £450.00 + VAT estimated for Will Search
- £600.00 + VAT estimated for valuation of contents of the property
- Land Registry fees
- Funeral costs and death certificates
- House clearance costs
- Gas, Electric, Telephone and council tax
- Insurance
- Mileage
- Postage
- Estate Agents fees and vat
- Income Tax and Capital Gains Tax plus the costs of filing returns or any fines and interest for the deceased and or the estate
- Tracing Beneficiaries per person between £60.00 to £120.00 + VAT if in the United Kingdom (more if abroad)

Disbursements are costs related to your matter that are payable to third parties, such as court fees and inheritance tax. We handle the payment of the disbursements if the estate is solvent apart from the funeral, inheritance tax and probate fees on your behalf to ensure a smoother process.

We anticipate this will take between 25 and 50 hours work at £325.00 per hour + VAT. Total costs estimated at £8,125.00 to £16,250.00 + VAT and Disbursements.

#### Potential additional costs

- If there is no will or the estate consists of any share holdings (stocks and bonds) there is likely to be additional costs that could range significantly depending on the estate and how it is to be dealt with. We can give you a more accurate quote once we have more information.
- If any additional copies of the grant are required, they will cost £5.00 (10 copies are normally obtained).
- Dealing with the sale or transfer of any property in the estate is not included.
- Dealing with the sale or transfer of any shares in the estate is not included or in obtaining copy share certificates or providing indemnities.

#### How long will this take?

On average, estates that fall within this range are dealt with within 9 to 24 months. Typically, obtaining the grant of probate takes a minimum of 26 weeks. The reason for this additional time period is due to taking HMRC between 6 – 12 months to carry out their investigations on average. Collecting assets then follows, which can take between 8 - 16 weeks however if there is a property involved it will take as long as it takes to complete the sale process including the conveyance. Once this has been done, we can distribute the assets, which normally takes 6 - 8 weeks.