

## Probate Services and Fees

If you are reading this document, there is every possibility that you are about to administer an estate on behalf of the beneficiaries to a Will or on Intestacy (that is, where there is no valid Will). One of the important things you should know is what are the advantages to you personally in using Holmes & Hills LLP to help you in the estate administration?

Whilst obtaining a Grant of Representation to an estate does involve form filling, there is so much more to the process because as an executor/administrator the role carries personal liability if you get it wrong. The law on whether an estate is liable to pay Inheritance Tax (IHT) is forever changing and the provisions for claiming the different reliefs can be very challenging. It is important to be sure that you have claimed all the appropriate reliefs that an estate may be entitled to. Our fees are generally paid from the estate and are a legitimate expense for the executors to incur on behalf of the estate.

We know that some clients require our assistance to help them only to obtain a Grant of Representation to an estate whilst others prefer that we handle the full estate administration.

Holmes & Hills offer two levels of service: **'Grant of Representation Only'** and a **'Full Estate Administration Service'**.

### **'Grant of Representation Only'**

For this service, Holmes & Hills fees are in the region of £1200 - £2500 plus VAT and disbursements (these are payments to third parties) provided there is no IHT to pay. We can discuss the actual amount you will be charged once we have had an opportunity to review the extent and nature of the assets within the estate and the work involved to complete the IHT Account.

Our fee includes:

- Obtaining details of the assets and liabilities in the estate
- Preparation of the application for a Grant of Representation
- Completion of HM Revenue & Customs IHT Account
- Obtaining the Grant of Representation and forwarding the original to you with 2 office copies of the document for your use

The likely disbursements will be:

- Bankruptcy searches (£2 per executor/administrator)
- Court application fee (presently £155 plus £1.50 for each sealed copy)
- Professional valuation fees for property, chattels and stocks and shares
- Land Registry office copy entry of title to establish property ownership



- Checking for previous Will/s (if required) (approximately £45.60)
- Checking for unknown assets (if required) (approximately £25 - £162)
- Notices to creditors (if required) (approximately £150 - £200)

## How long does it take?

It would normally take about 4-5 months from the date of the initial appointment to obtain a Grant of Representation for you, provided there are no unforeseen circumstances or difficulties. We will provide you with estimated timescales based on your circumstances.

## Full Estate Administration Service for a straightforward estate

For the Full Administration Service we will charge on the basis of the time spent in doing the work at the appropriate fee earners hourly rate (see below), however, our legal fees for fully administering a straightforward estate in the UK are likely to be in the region of 2% of the value of the gross estate with a minimum fee of £2500 plus VAT and disbursements.

For an estate valued, at say, £340,000 this is likely to be £6800 plus VAT and disbursements. The percentage charge may be greater or less than this amount as much will depend on the nature of the assets that comprise the estate. For example, an estate where there is a property and only a couple of bank accounts is likely to be charged less than this amount whereas an estate that is comprised of several bank accounts and multiple shareholdings may be charged more (but we will be happy to provide a tailored quote for your specific circumstances).

Our fee includes:

- Obtaining details of the assets and liabilities in the estate
- Preparation of the application for a Grant of Representation
- Completion of HM Revenue & Customs IHT Account
- Preparing and submitting an Income Tax repayment claim for the period to the date of death if considered necessary
- Collecting in the assets
- Settling liabilities from the assets collected
- Finalising the Income Tax position in respect of the administration period
- Preparing Estate and Distribution Accounts and distributing the estate

The likely disbursements will be:

- Bankruptcy searches (£2 per executor/administrator)
- Court application fee (presently £155 plus 50p for each sealed copy)
- Professional valuation fees for property, chattels and stocks and shares
- Land Registry office copy entry of title to establish property ownership
- Checking for previous Will/s (if required) (approximately £45.60)
- Checking for unknown assets (if required) (approximately £25 - £162)



- Notices to creditors (if required) (approximately £150-£200)
- Searching for missing beneficiaries
- Stockbroker/Registrar fees if selling/transferring shares and/or investments
- The cost of any insurances
- Payments of tax to include: Inheritance Tax\*; Capital Gains Tax; Income Tax\*

*\*These payments are usually paid from the assets within the estate.*

*Please be advised that this is not an exhaustive list.*

### **Additional Work which may increase the cost:**

- Any work in respect of the transfer or sale of property or land
- Advice in respect of Capital Gains Tax
- If the Will involves a trust, any advice or work required in respect of its constitution or termination or about your duties as a trustee
- Deeds of Variation
- Complying with buildings insurance endorsements if a property is unoccupied. *If the estate involves this type of work we will advise you of the cost prior to dealing with the land or property.*

### **How long does it take?**

Much depends on the extent to which we are dealing with third parties such as HMRC and the Department for Works and Pensions (DWP). If there is a property to sell then the timescale for administering the estate will be affected by how quickly the property can be sold. For a straightforward non- taxable estate it is likely that the administration will take approximately 6 – 9 months provided there are no unforeseen difficulties. For a taxable estate or where an estate is more complicated and we are dependent on third parties e.g. HMRC – it can increase the timescale by several months.

### **When might an estate not be ‘straightforward?’**

Further charges to those stated may be charged where:

- There are a large number of beneficiaries or there are complex provisions within the terms of the Will
- There are foreign assets to be taken into account
- There is a trust that affects the estate administration
- There is a requirement to claim: Agricultural Property Relief (APR) and /or Business Property Relief (BPR)
- Making transfer claims from a previous spouse/civil partner’s estate for IHT Tax purpose (TNRB)
- Calculating a claim for the Residence Nil Rate Band (RNRB)
- Calculating the correct rate of IHT to apply (especially if there are charitable legacies)
- Establishing the extent of any lifetime gifts
- Negotiations with HMRC re Inheritance Tax assessments



- Dealing with claims from the DWP if an investigation is launched into benefits paid during the lifetime of the deceased
- Finalising the deceased's tax affairs to the date of death
- Arranging to register the death and the funeral
- Arranging for a property to be cleared

## Experienced Staff

We have a range of qualified staff to include Solicitors, Chartered & Associate Legal Executives and experienced Paralegals. The hourly rates depend on the experience of the Fee Earner and range from £115 plus VAT per hour to £220 plus VAT per hour. Details of the team's experience and qualifications can be found here: <https://www.holmes-hills.co.uk/people/>

