

## **Probate/Estate Administration fee guide**

Our specialist team at Agri Advisor can deal with all aspects of the process of estate administration, from the initial steps of notifying the relevant authorities and institutions, to obtaining the Grant of Probate or Grant of Letters of Administration, to thereafter dealing with the settlement and distribution of the estate and property transfers.

As a Grant is not always required, we can help with the practical elements of dealing with joint assets and assisting the survivor in notifying relevant third parties of the death. We can also help with the procedure where the deceased died intestate i.e. without a Will.

Although these details relate to an uncontested estate, we are able to assist and advise in relation to potential claims against estates. Our Dispute Resolution Team are able to advise you further about such matters. In addition to obtaining the Grant, we deal with the completion and submission of Inheritance Tax returns.

Although our specialist area is agriculture, our team are also very experienced in non-agricultural estates including those involving commercial and residential properties.

Our professional and personal service ensures that the administration process is dealt with correctly and in a timely manner so as to ensure that it is completed as soon as possible. We are able to offer the service also in either English or Welsh to suit your preference.

Our services and costs will vary depending on the type of instruction received, and the estate involved, as broadly detailed below:

### **Estimate of costs involved**

Here at Agri Advisor, we simply charge for the time we spend on a file. Although Solicitors are permitted to charge an uplift based on the value of the estate, we do not do so and our charges are based on the time spent in dealing with the matter.

The information below is based on instructions to deal with a full administration of the estate:

#### **(A) Where the gross estate for Inheritance Tax purposes is valued at less than £1,000,000**

The exact cost will depend on a number of factors to include the nature of the assets owned by the deceased, the number of beneficiaries and also whether or not the deceased left a valid Will. Costs are likely to be the lower range of the estimate below where less work than is anticipated is needed to administer the estate.

The estimate assumes the following apply:

- There is a valid Will;
- There is only one property;
- There are no foreign assets or foreign element;

- There are no more than 5 beneficiaries;
- There are no more than 5 investments;
- The estate is uncontested i.e. not disputed;
- There is no Inheritance Tax to pay;
- Neither the estate nor any of the beneficiaries are insolvent;
- There is no Deed of Variation.

*HOURLY RATE COSTS:* As mentioned above, our costs vary depending on the time we spend on the matter. Our costs also vary depending on the fee earner carrying out work on the file and we have therefore provided a range incorporating the possible variables.

We estimate that to complete the administration of an estate as detailed above, would take on average between 18 and 30 hours work at an hourly rate of between £189 - £275 plus VAT (£226.80 - £330 including VAT).

Total costs estimated at:

- Between £3,402 plus VAT (£4,082.40 including VAT) and £4,950 plus VAT (£5,940 including VAT) for 18 hours work depending on the fee earner dealing with the matter;
- Between £5,670 plus VAT (£6,804 including VAT) and £8,250 plus VAT for 30 hours work depending on the fee earner dealing with the matter.

In addition, expenses are likely to be incurred as follows:

- Probate application fee – currently £273.00 plus £1.50 for each sealed copy of the Probate;
- Bankruptcy Search - £2 per beneficiary;
- Public Advertisement – approximately £200 for publishing a notice of the death in The London Gazette and newspaper local to the deceased.

**(B) Where the gross estate for Inheritance Tax purposes is valued at more than £1,000,000**

Additional work is required where the estate falls within this bracket to include, but not limited to, a long form of Inheritance Tax return (IHT400) which may include application for reliefs and exemptions such as Agricultural Property Relief, Business Property Relief, Nil Rate Band, Residential Nil Rate Band and an application to transfer a deceased's spouse unused Nil Rate Band or Residential Nil Rate Band.

The exact cost will depend on a number of factors including the extent of the assets owned by the deceased, the number of beneficiaries and also whether or not the deceased left a valid Will. Costs are likely to be the lower range of the estimate below the less work that is needed to be carried out to administer the estate.

The estimate assumes the following apply:

- There is a valid Will;
- There is only the one property;
- There are no foreign assets;
- There are no more than 5 beneficiaries;
- There are no more than 5 investments;
- The estate is uncontested i.e. not disputed;
- There is no Deed of Variation;
- Neither the estate nor any of the beneficiaries are insolvent.

*HOURLY RATE COSTS:* As advised above, our costs vary depending on the time we spend on the matter. Our costs also vary depending on the fee earner carrying out work on the file and we have therefore provided a range incorporating the possible variables.

We would estimate that to complete the administration as detailed above, would take on average between 25 and 40 hours work at an hourly rate of between £189 and £275 plus VAT (£226.80 - £330 including VAT).

Total costs estimated at:

- Between £4,725 plus VAT (£5,670 including VAT) and £4,950 plus VAT (£5,950 including VAT) for 25 hours work depending on the fee earner dealing with the matter;
- Between £7,560 plus VAT (£9,072 including VAT) and £11,000 plus VAT (£13,200 including VAT) for 40 hours work depending on the fee earner dealing with the matter.
- In addition, expenses are likely to be incurred as follows:
- Probate application fee – currently £273.00 plus £1.50 for each copy of the Probate;
- Bankruptcy Search - £2 per beneficiary;
- Public Advertisement – approximately £200 for publishing a notice of the death in The London Gazette and newspaper local to the deceased.

### **How long will it take?**

On average, an application for Grant of Probate/Letters of Administration is submitted to the Probate Registry within 4 to 6 months of the date of instruction. The timescale depends on a number of external factors including how quickly third parties, such as banks, building societies and executors, deal with our correspondence.

Should an IHT400 be required then this will influence the above timescale as it can in these circumstances take 6 to 12 months to prepare and process the IHT400 return.

Once a Grant has been issued, a further 3 to 6 months may be needed to deal with the closure, realisation or transfer of the various investments and assets in the estate and the distribution of the estate to the beneficiaries.

**Factors that may increase costs:**

- No valid Will;
- Multiple properties;
- Extensive investments;
- More than 5 beneficiaries;
- Inheritance tax liability;
- Life Policies;
- Either the existence at the date of death or the creation in the Will of Trusts, including Life Interests;
- Gifts were made by the deceased in the 7 years prior to his/her death;
- Dealing with Income Tax and/or Capital Gains Tax with an Accountant and/or the Inland Revenue;
- The need to transfer property/ies to a beneficiary.

Should you require further details a free initial telephone consultation, please contact our team on 01678 444 005 or [advisor@agriadvisor.co.uk](mailto:advisor@agriadvisor.co.uk).