TRANSPARENCY IN PRICING

PROBATE

Leathes Prior is committed to providing transparency in pricing in line with the SRA Transparency Rules.

LP LEATHES PRIOR

ADMINISTRATION OF ESTATES

Range of costs

Leathes Prior offer flexibility so that you can choose the basis of how we charge your matter. We offer both fixed fee and hourly rate charging. Any one of our team would be happy to discuss with you the details of the estate and then provide you with an estimate of costs (fixed fee or hourly rate) and the timescale. On choosing either fixed fee or hourly rate, our likely costs for administering an estate (unless the estate is more complex or we have agreed differently with you) are set out below:

1. if the estate is an excepted estate, there is a valid Will, no Inheritance Tax is payable, and there are no foreign assets or beneficiaries to be traced, our fee is likely to be between £5,000 and £9,500 plus VAT;
2. if 1 applies, but there is no valid Will, additional costs may be incurred to this firm in helping establish the 'family tree' and ensuring all qualifying beneficiaries are traced – again, in this instance there may be separate fees payable to a qualified tracing agent and/or genealogist;
3. if the estate is not excepted and there is no IHT may be payable, there is a valid Will, but there are one or more foreign assets or beneficiaries to be traced, our fee is likely to be between £6,500 and £11,000 plus VAT – please also note that there may be a separate fee payable to a qualified tracing agent, and again any IHT charge is payable separately to HMRC;
4. if the estate is liable to inheritance tax then our fee is likely to be £8,000 to £15,000 plus VAT.

What is involved in the administration of an estate?

The above range of costs (unless we have agreed differently with you) includes our assistance with the following:

1. assessing the validity of testamentary documents
2. identifying the legally appointed executors or administrators and beneficiaries
3. accurately identifying the type of Grant you will require
4. obtaining the relevant documents required to make the application for the Grant including date of death details of assets and debts
5. assessing whether the estate is subject to inheritance tax
6. completing the application and the relevant HMRC forms
7. drafting a legal oath for you to swear
8. making the application to the Probate Registry
9. obtaining the Grant
10. collecting all assets in the estate including selling property (conveyancing fees and disbursements charged separately)

11. paying any debts
12. paying any legacies
13. dealing with any income or administration tax
14. preparing estate accounts
15. making the final distributions to the residuary beneficiaries

Factors that could make an administration more complex:

1. whether or not the deceased left a valid Will – if not, are all the potential beneficiaries under the rules of Intestacy and their whereabouts known;
2. the nature, complexity and location of the estate assets and liabilities, for example;
3. realty in the UK:
4. realty situated abroad;
5. any other foreign assets;
6. stock & shares;
7. the number of bank & Building Society accounts;
8. pensions;
9. debts;
10. trusts;
11. business assets;
12. agricultural assets;
13. the number of beneficiaries and if any might need to be traced;
14. whether or not the estate qualifies as an 'excepted estate' or if a full HM Revenue & Customs Account is required;
15. whether or not the estate is taxable, and if so how the initial tax payment will be raised;
16. whether or not there is income tax and/or administration income tax and/or capital gains tax.

Disbursements

Disbursements are costs related to your matter that are payable to third parties, such as court fees. We handle the payment of the disbursements on your behalf to ensure a smoother process. In all estates there are disbursements which may be payable, including:

1. any Inheritance Tax, payable to HMRC;
2. valuation fees plus VAT (for example property or personal possessions valuations)
3. Probate Registry fee (approximately £160);

4. Statutory Notices to creditors (approximately £100 plus VAT where the deceased did not own property, and approximately £250 plus VAT where the deceased did own property);
5. if the deceased owned property which is to be sold, then there will be conveyancing fees plus VAT, estate agents fees plus VAT, ongoing utility bills, insurance and council tax to the date of completion;
6. HM Land Registry searches (approximately £14 plus VAT);
7. Bankruptcy searches (£2 plus VAT per beneficiary);

A more accurate idea of these additional disbursements can be provided once further details of the estate are known.

How long will the administration take?

This depends on a number of factors but on average a straightforward estate with no property takes around 6-8 months. If a straightforward estate has property the timescale will extend to 6-12 months.
More complex estates (particularly where IHT is payable) are likely to take 12 to 24 months to administer.

Who will handle the administration?

The profiles of the practitioners in our team (together with details of when they qualified and their areas of expertise) can be found here.