

PROBATE PRICING

The Solicitors Regulation Authority, the regulator of law firms, require us to provide you with information on our costs in relation to certain legal services which we provide. This is to give you the information you need to make an informed choice as to which legal service provider to choose and an understanding as to what the total cost of that service may be.

One such legal service is the administration of estates which includes the collection and distribution of money, property and other assets belonging to a person following their death.

Each estate has unique circumstances but there are some common requirements in their administration.

In order to provide transparent pricing we have set out some costs information below. Whilst some of our services have fixed prices, as the work involved is clearly defined, other services are based on the time spent by all members of the team involved.

Where the service is not provided on a fixed price basis the exact costs will depend on the specific circumstances of the estate and therefore we have provided below pricing for a number of different scenarios we encounter. We have listed some factors which may cause the price to vary from the examples given but we will provide a more accurate quote once we understand the specific circumstances of the estate and your requirements.

Although you will have one point of contact, there may be a need for different members of the team to have involvement in the estate at different stages. The hourly charge out rates for our team members are set out below. These rates do not include VAT, which will be charged at 20%.

Probate Assistance Service – Application for the Grant of Representation (Probate) Only

This service may be appropriate for you if you need assistance with the application for the Grant of Representation (Probate) ('the grant') to the estate but feel you can deal with the rest of the administration of the estate yourself.

What is included in this service?

- | The preparation of the application for the grant based on the estate information and values provided by the Legal Personal Representative(s). We will also arrange for the application to be submitted to the District Probate Registry once signed.
- | Assessing the estate for inheritance tax purposes, identifying all available reliefs and exemptions and where necessary, the preparation of the inheritance tax forms for submission to HM Revenue and Customs.
- | Calculation of any inheritance tax due on submitting the account.

What does the service not include?

- | The service is limited to the application for the grant so does not include any other aspects of the estate administration process e.g. collection of assets, settlement of income tax affairs, distribution of assets.
- | Subsequent inheritance tax reporting and forms due in connection with this reporting.
- | Finalising the inheritance tax position at the end of the administration including the payment of additional inheritance tax or claiming a refund.
- | Advice on the interpretation of the Will, the devolution of the estate or the estate administration process.
- | Any costs relating to the valuation of assets as at the date of death.
- | Any additional probate documents required e.g. an Affidavit or witness statement.
- | Probate Court Fee at £300 plus £16 for each office copy grant.

How much will the service cost?

Every estate differs and so we offer a fee quote based on the bespoke circumstances of the estate.

Factors that have an impact on the level of fee we charge include:

- | Number of reliefs to inheritance tax being claimed in the inheritance tax account e.g. Transferrable Nil Rate Band, Residence Nil Rate Band.
- | Number of gifts made by the deceased in the seven year period prior to death.
- | Complex inheritance tax calculations e.g. a grossing up calculation is needed.
- | Availability of Business Property Relief and/or Agricultural Property Relief.
- | An issue with the Will which will need to be addressed prior to or as part of the application for the grant.

If additional work needs to be carried out during the service, we will let you know and provide you with a fee quote for carrying out this work on your behalf.

The Probate Assistance Service fee schedule provides an indication of costs, some typical examples are set out on the next page (Table 1).

| Estate Circumstances | Indicative Fee Guide |
|--|--|
| <p>The estate does not require a full inheritance tax account and there is not a transferrable nil rate band to claim. There is one LPR acting in the administration of the estate.</p> | <p>Grant application only service: £950 plus VAT at 20%</p> |
| <p>An estate requiring a full inheritance tax account but there is no inheritance tax liability. The following reliefs are available — transferrable nil rate band, residence nil rate band and transferrable residence nil rate band. There are some lifetime gifts but not gifts out of income. There are 15 assets.</p> | <p>Grant application only service: £2,280 plus VAT at 20%</p> |

Table 1

How long will it take?

We will prepare the application for the grant including the inheritance tax account (if required) on average within 3-4 weeks of receiving the full information required. This will then be sent to the Legal Personal Representatives for review and signing. If a full inheritance tax account is required, the application process takes place in 2 stages:

Stage 1: The inheritance tax account is submitted first to HM Revenue and Customs.

Stage 2: An acknowledgement letter is issued by HM Revenue and Customs providing a unique code to be used when submitting the application for the grant to the District Probate Registry.

If a full inheritance tax is not required, the application will be submitted for the grant as soon as it has been signed.

Full Estate Administration

What does the service include?

We deal with the full administration of the estate on behalf of the Legal Personal Representative(s) i.e. the appointed executor(s)/administrator(s). The service includes:

- | Providing you with a dedicated and experienced Relationship Manager who will be responsible for the estate.
- | Understanding the assets and liabilities of the estate.
- | Making enquiries to establish whether any gifts were made in the seven years prior to death.
- | The preparation of the application for the Grant of Representation (Probate).
- | Assessing the estate for inheritance tax purposes, identifying all available reliefs and exemptions and where necessary the preparation of the inheritance tax forms for submission to HM Revenue and Customs.
- | Liquidating the estate assets including the sale or transfer of any property held in the estate.
- | Payment of estate liabilities and administration expenses.
- | Settling the income tax affairs of the deceased with HM Revenue and Customs and for the tax period(s) during the administration of the estate. An additional fee will be charged if a tax return(s) needs to be submitted.
- | Distribution of the estate to beneficiaries in accordance with the terms of the will or on intestacy.
- | Preparation of an estate account.

How much does the service cost?

As each estate that we administer differs, we feel that it is important to provide a bespoke fee quote that reflects the circumstances and complexity of the estate. In preparing this, we consider a range of factors including:

- | If there is a will and the terms of it e.g. the number of beneficiaries and if they are named individually or benefit from a class gift e.g. a gift to 'grandchildren'. We also consider if there is any uncertainty around the terms of the will and if a trust(s) is created.
- | If the beneficiaries are known or need to be traced and if they are adults or minors.

- | The estate's inheritance tax position, whether an inheritance tax report needs to be submitted to HM Revenue and Customs and the number of reliefs that need to be claimed e.g. residence nil rate band, agricultural property relief, business property relief.
- | If there have been substantial gifts made during the deceased's lifetime. It can take time to identify these and to consider inheritance tax reliefs and exemptions that may be available in respect of these gifts.
- | The number and nature of assets in the estate. Certain assets e.g. shareholdings, overseas, business or agricultural assets take more time to deal with than say a UK bank account.
- | If there are any properties held in the estate and whether there is a charge secured against them that would need to be settled. We also consider whether the property is unoccupied or tenanted.
- | If there are any joint assets and the relationship between the deceased and the joint owner.
- | If a tax return(s) needs to be submitted to HM Revenue and Customs to finalise the deceased's income tax position to the date of death and during the administration of the estate. Additional charges will be made if multiple tax years need to be reviewed.
- | If capital gains tax computations need to be prepared for the period up to the date of death and during the administration of the estate.
- | If the deceased was the life tenant of a trust(s), the value of which is taken into account when considering the estate's inheritance tax position.
- | The number of estate liabilities.
- | Any disputes between estate beneficiaries.
- | Any challenges on the estate or on the terms of the will.

On the next page, we have set out an illustration of our fees based on some sample estates (Table 2).

| Estate Circumstances | Indicative Fee Guide |
|---|--|
| <ul style="list-style-type: none"> Estate passes to one beneficiary under the terms of the Will Not subject to inheritance tax and not reportable to HM Revenue and Customs One property worth £120,000 not subject to a charge and to be sold 5 assets held in the estate worth £100,000 3 liabilities totalling £8,000 No joint assets | £5,500 plus VAT at 20% |
| <ul style="list-style-type: none"> Estate passes to one beneficiary under the terms of the Will Not subject to inheritance tax but a report is required to HM Revenue and Customs and 3 reliefs are to be claimed One property worth £486,000 not subject to a charge and to be transferred to the beneficiary 19 assets held in the estate worth £330,000 5 liabilities totalling £10,000 | £10,447 plus VAT at 20% |
| <ul style="list-style-type: none"> Will contains a nil rate band legacy and residue passes to 2 residuary beneficiaries Subject to inheritance tax and 3 reliefs to be claimed Lifetime gifts One property worth £1.9 million not subject to a charge and to be sold 13 assets held in the estate worth £35,000 6 liabilities totalling £440,600 | £16,616 plus VAT at 20% and time spent at published hourly rates on establishing lifetime gifts |

Table 2

If additional work needs to be carried out during the administration of the estate, we will let you know and provide you with a fee quote for carrying out this work on your behalf.

We will charge a disbursement of £157.50 to cover the cost of providing the full estate administration service.

There will also be disbursements payable to third parties which will also be deducted from the estate, some of these costs will have VAT added. We will arrange settlement of these costs from estate funds on behalf of the Legal Personal Representative(s). Some common disbursements payable from most estates are as follows:

- | Probate Court Fee and Office Copies: £300 plus £16 for each office copy of the grant (no VAT).
- | Statutory notices to advertise for claimants – this protects against unexpected claims from unknown creditors:
 - London Gazette: £162.50 plus VAT at 20% (includes an administration fee for arranging);

- Local newspaper advertisement (if the deceased owned a property): £120-400 plus VAT at 20%.
- | Office copy title of registered property: £7.
- | Probate valuation reports e.g. property and contents (VAT will be added to the cost at 20%). We will confirm on instruction if these reports are required.
- | If shareholdings are held in the estate, there may be administration fees in connection with the sale or transfer of these holdings. Details of this cost will be shared once they are available (VAT will be added to the cost at 20%).
- | There may be other third party costs that are payable from the estate in addition to our fees and disbursements. These costs are specific to each estate but include estate agents fees for selling a property and legal fees for conveying the estate property plus disbursements.
- | Genealogist costs for confirming a class gift in a will e.g. a gift to ‘grandchildren’ or the beneficiaries of an estate passing on intestacy.

How long will it take to administer the estate?

This will largely depend on the nature and complexity of the estate including the number of assets, whether there is a property to sell, overseas assets to encash, if inheritance tax is payable from the estate and response times from third party companies including the District Probate Registry and HM Revenue and Customs. The current published timescale from application to receiving the Grant of Representation from the District Probate Registry is 12 weeks.

An estate which is not subject to inheritance tax may take around 12 months to complete. If inheritance tax is payable, it can take over 18 months to finalise.

Current hourly staff charge out rates for Estate Administration:

Where we are charging on a time spent basis for work that we are carrying out on your behalf, we will calculate the fee based on our published hourly rates.

Our current rates are set out below (Table 3), they do not include VAT which will be charged at 20%.

| Title | Fees per hour |
|---|---------------|
| Probate Administrator/Secretary | £125 plus VAT |
| Probate Officer/Paralegal | £195 plus VAT |
| Senior Probate Officer | £285 plus VAT |
| Wills (and) Probate Assistant Manager/Solicitor | £330 plus VAT |
| Probate Manager/Legal Counsel | £370 plus VAT |
| Head of Probate/Director | £395 plus VAT |

Table 3

Zedra Legal Services (UK) Limited is registered in England with company number 13323323 and its registered offices are at Booths Hall, Booths Park 3, Chelford Road, Knutsford, Cheshire, United Kingdom, WA16 8GS.

Zedra Legal Services (UK) Limited is authorised and regulated by the Solicitors Regulation Authority with SRA number 830093.