

GUIDE TO PROBATE

WHAT IS PROBATE?

Probate is a term that is often used to describe the process of dealing with someone's estate after they have died. A Grant of Probate is a document issued by the Court to Executors named in a Will. If there is no Will then the document issued is called a Grant of Letters of Administration. In either case, the person (or people) named within the document have the authority to deal with the estate of the person who has died – they are the Personal Representatives. Both documents are commonly referred to as 'the Grant'.

DO I NEED A GRANT?

In some situations assets can be released without the Grant, but this is usually:

- If the estate is very small, less than £10,000
- If all the assets are held in the joint names of the person who has died and their spouse

In all other situations, companies or institutions holding assets belonging to the deceased (for example banks, building societies or investment companies) will need to see the Grant before they will release any of the assets they hold. If the person who has died held a property in their sole name then the Grant will be needed to allow a sale or transfer of that property to take place.

HOW DO I APPLY FOR THE GRANT?

The Personal Representatives can make an application for the Grant through the Probate Registry but many people opt to have a solicitor do this for them, particularly where the total estate value exceeds £325,000 (the current Inheritance Tax (IHT) threshold). If you decide to apply directly you must:

- Work out the value of the estate by contacting all institutions with which the deceased may have had assets or liabilities
- Arrange for all properties and other assets such as antiques or jewellery to be professionally valued
- Complete an inheritance tax return form for HM Revenue & Customs (HMRC)
- If the estate is taxable, some inheritance tax will need to be paid prior to the application being processed.

WHAT HAPPENS AFTER THE GRANT HAS BEEN ISSUED?

Once the Personal Representatives have the Grant, they are under a duty to complete the administration of the estate.



ADMINISTRATION OF AN ESTATE

The Grant will allow any savings, investments and property in the name of the deceased to be released to the Personal Representatives to pay all liabilities and distribute the remainder to the beneficiaries. If there is a Will then the beneficiaries will be named within it. If there is no Will then the Personal Representatives must ensure that they have correctly identified all relatives of the deceased person who may be entitled to a share of the estate.

Personal Representatives must be meticulous in their accounting and be seen to be maximising the total value of the estate. When the administration of the estate is finally completed, the beneficiaries of the estate will be entitled to receive a copy of the estate accounts.

HOW CAN MOGERS DREWETT HELP?

Our aim is to take the weight off your shoulders and complete the estate administration as smoothly as possible. So whether you want help to locate and value all of the assets and liabilities of an estate or would want us to deal with the entire estate administration from start to finish we can provide a level of service suited to your needs. Our established links with local accountants, financial advisers and estate agents ensure you receive a comprehensive and co-ordinated service.

Bath 01225 750 000 | **Sherborne** 01935 813 691 | **Wells** 01749 342 323