



PRIVATE CLIENT SERVICES

PROBATE

A friendly service, professional and efficient.

At what is inevitably a difficult and emotionally fraught time, completion of the Inheritance Tax return and applying for Probate are often tasks that no bereaved family member wants to tackle (even if they feel that they have the skills to do so). It is therefore very much the norm to seek professional assistance.

WHAT IS THE PROCEDURE?

For all but the smallest estates, an Inheritance Tax return must be submitted to HMRC. Where there is no tax due – either because the value of the estate is too low or because it is covered by the available exemptions – it is usually possible to opt for a simplified form. Where tax is due, however, the form and its accompanying schedules can easily stretch to 40 pages or more. Where possible, the form should be submitted on time. Particularly where tax is due, or might be due, it is essential that appropriate procedures are followed and the form is completed correctly. Interest and penalties can be levied; HMRC are likely to regard even innocent errors as “careless”.

While there are exceptions for modest bank balances and assets passing by survivorship, in most cases it is necessary to apply to the courts for Probate (or its equivalent). Probate is the legal process whereby a Will is “proved” in court and accepted as a valid document. The personal representatives are required to swear a written oath. Probate gives them authority to deal with the assets of the deceased in accordance with the terms of the Will. A person who dies without leaving a valid Will has died “intestate.” Instead of a Grant of Probate it is necessary to obtain a Grant of Letters of Administration; those named in the grant are required to deal with the estate in accordance with the rules of intestacy.

ISN'T THIS A JOB FOR A SOLICITOR?

We have always assisted clients who have lost a friend or family member. We have prepared Inheritance Tax returns and estate accounts and we have assisted with the process of estate administration.

Until recently, however, only the legal profession have been able to submit applications for Probate on behalf of their clients. This has changed. The Institute of Chartered Accountants in England & Wales (ICAEW) is now an approved regulator and licensing authority for probate work and we were among the first firms to acquire a probate licence. That means that we can offer the ‘full service’, applying our full range of skills – including our tax knowledge – to what is essentially an administrative and number-crunching process. Where we have acted for the deceased during their lifetime, we will also typically start with a good knowledge of their financial and business affairs, their family situation and any succession or Inheritance Tax planning that has been put in place.

WHY UHY HACKER YOUNG?

This is work that we have done for a long time and that we are very good at. The process of pulling together all the numbers, submitting the forms and administering the estate inevitably takes time, but we work through the process steadily and efficiently. We understand the procedures, the reliefs that are available when Inheritance Tax is an issue, and the areas that HMRC are likely to focus on. We are sufficiently flexible to offer you the service you need, whether that is to deal with almost everything or just to hold your hand as you deal with the process yourself. Our charging structure is simple – you pay us on the basis of the time we spend and our hourly rates are typically lower than those of law firms. We do not charge a percentage of the estate instead of, or in addition to, time costs. Our people are friendly and sympathetic, but with the detachment needed to get on with the process while you take time to grieve.

We can help you to plan the distribution of the estate in a tax-efficient manner.

UHY Hacker Young Associates is a UK company which is the organising body of the UHY Hacker Young Group, a group of independent UK accounting and consultancy firms. Any services described herein are provided by the member firms and not by UHY Hacker Young Associates Limited. Each of the member firms is a separate and independent firm, a list of which is available on our website. Neither UHY Hacker Young Associates Limited nor any of its member firms has any liability for services provided by other members.

A member of UHY International, a network of independent accounting and consulting firms.



This publication is intended for general guidance only. No responsibility is accepted for loss occasioned to any person acting or refraining from actions as a result of any material in this publication.

UHY Hacker Young LLP is licensed by the Institute of Chartered Accountants in England and Wales to carry out the reserved legal activity of non-contentious probate in England and Wales.

© UHY Hacker Young 2018
www.uhy-uk.com

WHAT ELSE DO WE OFFER?

There are various other services that personal representatives typically need. We can prepare valuations of private company shares and negotiate with HMRC in respect of these and any other figures that are not cut and dried. We can help you to plan the distribution of the estate in a tax-efficient manner – including advice in respect of discretionary Will trusts and Deeds of Variation – and help the beneficiaries with their own tax affairs. We can prepare final tax returns for the deceased, tax returns for the estate and any resulting trusts and, where matters are complex, we can prepare estate accounts.

If you are drafting your Will and lack appropriate friends or family members to appoint as executors – or feel that frictions within the family are such that it is better to appoint someone who will ensure that your wishes are observed in an impartial manner – bear in mind that many of our partners are

happy to act in this capacity. Where they are appointed, they will be in a position to ensure that your plans are carried out in full.

WHAT CAN'T WE DO?

Chartered accountants can only be licensed to carry out “non-contentious” probate work. If things become contentious – for example, if a family member challenges the validity of the Will or makes a claim against the estate – we have to pass matters over to a solicitor and, in this situation, we can recommend someone appropriate. Once the issue has been resolved, however, the work passes back to us.

We don't value antiques or property, we don't manage investments and we don't do conveyancing, but again we can recommend people who do.

While we do not draw up Wills or other legal documents, we do provide tax planning and other advice such that you can go to a solicitor with your decisions already made.

A BRIEF GLOSSARY

Personal representatives - those appointed by the courts to collect in the assets of the deceased, discharge his liabilities and then distribute the remainder of the estate in accordance with the Will or the rules of intestacy.

Executor - a personal representative appointed in accordance with a valid Will.

Administrator - someone appointed as a personal representative either where there is no Will or there is a Will but the named executors are unable or unwilling to act.

Estate - what you leave behind (the sum of your assets less your liabilities).

Deed of Variation - a legal document entered into by the beneficiaries after the death that has the effect of changing the terms of the Will.

THE NEXT STEP

To find out more about our probate and support services, speak to your usual UHY Hacker Young contact or one of our authorised individuals for probate work:

Amanda Millett, partner
York
t: 01904 557 570
e: a.millett@uhy-uk.com

Graham Boar, tax partner
Letchworth
t: 01462 687 333
e: g.boar@uhy-uk.com

Mark Giddens, head of private client services, London
t: 020 7216 4651
e: m.giddens@uhy-uk.com

Nick Edwards, tax partner
Kent
t: 01795 475 363
e: n.edwards@uhy-uk.com

Alternatively, read more about us on our website at www.uhy-uk.com.