

# PROBATE GUIDE



# CONTENTS

1. Register The Death	3
2. Find Out If There's a Will	4
3. Apply For a Grant of Probate	4
4. Tell All Organisations	7
5. Pay Off Any Debt	9
6. Claim On Any Life Insurance	10
7. Value The Estate	11
8. Distribute The Remaining Assets	12
9. Probate Services/Summary	13

# A Guide to probate

## 1. Register the death

You'll need a copy of the death certificate for each of the deceased's assets (e.g. each bank account, credit card, mortgage, investment providers etc), so before you can start probate, you'll need to register the death.

You'll usually need to do this within five days in England, Wales and Northern Ireland, or eight days in Scotland – though this doesn't apply if the death's reported to the coroner. To do this, go to the register office for the area where the death happened – you can use Gov.uk to find the office. You may need to book an appointment, so it's worth phoning first.

### What documents to take

You'll need the medical certificate of the cause of death, plus a birth certificate, marriage or civil partnership certificate or NHS medical card if available. A relative will usually need to register the death, if possible, but others are allowed to do this in some circumstances.

There's a useful Gov.uk tool to help you find exactly who can do it, and what documents are needed, for where you are in the UK. The registrar will then give you a certificate for burial or cremation, and a certificate of registration of death (more commonly known as a death certificate).

### Report a death to all Government organisations in one go

In some areas, you can use the Government's Tell Us Once service to report the death to most Government organisations in one go, including council tax, benefits, passport and driving licence info. Not all councils do this though – check if yours does when you're registering the death, as they'll need to give you a number to use for this. see Gov.uk.

### Report a death to banks, building societies & other financial firms in one go

The [Death Notification Service](#) works UK-wide and has been set up by trade association UK Finance and the major banks. It aims to make it quicker and easier for anyone who's suffered a bereavement to notify banks and building societies in one step.

It's recommended that you create an account with the Death Notification Service, though you don't have to. Doing so ensures you get confirmation when notifications have been received by banks, building societies and other firms. Creating an account also allows you to contact more firms if you discover the deceased person had an account with them later on.

## 2. Find out if there's a will

Before you do anything else, you need to find out if there's a will. It's a good idea to start looking for a will in the first week after the death if you can, as it may also have other instructions such as funeral wishes or an existing funeral plans. If you don't have a will yourself and want one, you can contact us to discuss.

It's important to establish if there's a will as it states who the executor is. It also names who'll get any assets left. If the will doesn't name an executor, or the person who has been named can't take on the position for any reason, it gets more complicated. However, there is a process to follow. Any beneficiaries of the estate – usually a close relative such as a spouse, child or parent – can apply to the probate registry to be what is known as an 'administrator' of the estate instead.

### What if there isn't a will?

If no valid will has been left, the deceased has died 'intestate'. In this instance, laws known as intestacy rules govern how their estate should be distributed. Unmarried or divorced partners normally don't inherit anything under intestacy rules.

## 3. Applying for a grant of probate and dealing with inheritance tax

Once you know who the executor is – the person authorised to deal with the deceased's property, money and possessions – they need to apply for a document known as a 'grant'. If there is more than one executor, only one needs to apply. It shows you have the right to access funds, sort finances and share out assets.

This stage of the process is heavy on form filling. You'll need to fill out a probate application form and inheritance tax form to get the grant, both of these can now be completed online. Follow the steps below to ensure it all goes smoothly:

**1. Complete a probate application form.** You have two options here. You can fill in the probate application form 'PA1P' yourself, or call the probate and inheritance tax helpline to get help filling in the form. Remember, the PA1P form can be filled in online even if you don't have access to a printer.

**2. Complete an inheritance tax form.** At the same time as submitting the probate application form, you have to submit a form to HMRC to see if the estate is liable for inheritance tax (IHT). If it's below the IHT threshold (£325,000), use form [IHT205](#), or [IHT400](#) if it's above. Again, it is also possible to fill out

the IHT205 and IHT400 forms online. To do this, you'll need to work out how much the estate is worth. A new allowance was introduced in the 2017/18 tax year that will gradually raise inheritance tax thresholds on main residences going to certain family members. It's called the residence nil rate band. In this case you would have to fill in an IHT400 and an [IHT435](#).

Even if you think there's no tax to pay, you need to make sure you fill out the form. There won't be tax to pay if assets are being transferred to a surviving spouse (see the quick question below for more on this).

If there is tax to pay, you'll need to settle this before the grant is issued to you. You have six months from the end of the month in which the person died to do so. You can defer tax and pay in instalments on some types of assets, including land, some shares and the value of any business owned (not the assets).

**If there's enough money** in a bank account of the deceased to cover the amount due, it should be possible to arrange a direct payment to HMRC. Most UK banks permit this if you send them an [IHT423](#) form.

**If there isn't enough money**, you'll have to pay out of your own pocket (if you can) and recoup the money from the estate after probate is granted – or take a loan from a bank. The loan can then be repaid from the estate after the grant has been issued and assets collected. But even if the money is borrowed, an estate that consists mainly of the family home may not have enough cash or other assets to repay it. So the family home may have to be sold or mortgaged to do so. If you've tried everything possible but still failed to raise money for the fees, you might be able to apply in 'exceptional' circumstances for help from the Lord Chancellor.

**3. Send your application.** Next you'll need to send your application to your local probate registry. You should include:

- Probate application form PA1P.
- Inheritance tax form IHT205 or IHT400.
- An official copy of the death certificate.
- The original will and three copies.
- The application fee – a cheque for £155 (if using a solicitor) or £215 made payable to HM Courts & Tribunals Service. Plus additional funds if copies of the grant are required - £1.50 per copy

**NOTE.** If you are completing the process online, the only thing left to submit to the probate registry at this stage is the original will and three copies of it. The application fee, death certificate and inheritance tax form will have already been paid and submitted while filling in the initial probate application form online.

## Quick questions

### **What if we were married and only had joint assets?**

If assets are being transferred to a surviving spouse or civil partner, no inheritance tax will normally be charged.

For example, if the deceased and their spouse or civil partner owned a home under a joint tenancy, the surviving partner automatically inherits it (it doesn't pass as part of the will). This means the surviving spouse or civil partner can continue living there with no inheritance tax to pay.

However, if it's a joint ownership but the owners weren't married or in a civil partnership (or covered under another exemption, see HMRC), it'll be liable for inheritance tax.

If the deceased and the surviving joint owner each owned a portion of the property (eg, a half or a third), they're known as 'tenants in common'. In this instance, the deceased's share of the property does pass as part of their will.

If it passes to the surviving spouse or civil partner (or is covered under another exemption, see HMRC for details), it's exempt from inheritance tax. Otherwise, it will be taxable. The rules around this are complex, so see HMRC for help.

**Can I stop a grant if needed?** You may be in the situation where you need to stop a grant from going ahead, for example if there's a dispute over whether a will exists – this is called a 'caveat'. To get a caveat, you'll need to be over 18 and write to or visit any probate registry – it costs £20 and once issued lasts six months.

**What bank account do I use when funds are released?** Although most organisations won't release money until they see the grant, it's a good idea to open a special bank account on behalf of the estate straight away so you can pay money into it as funds are released.

The bank and other institutions can then transfer money from the deceased's bank account into the account you've set up as an executor once the grant has been issued.

## 4. Tell ALL organisations and close accounts

You'll need to tell every organisation you can think of that the deceased had a relationship with, including Government bodies and financial and utility companies. This makes sure you fulfil your responsibilities, get back money owed and ensure no more charges are taken.

**Where to check.** Go through all paperwork, internet bookmarks and files to find who they had accounts with. They may have had their own financial factsheet with details that'll help, so check with next-of-kin.

If you can't find all the deceased's bank, building society or savings accounts, website My Lost Account can find out where they held an account, though it can take up to three months to trace. There are also sites that can help you trace lost pensions and investments too.

**Warning.** If you've a second credit card... on the deceased's account, it'll be frozen once you've told the bank. If you rely on that card, ask for an account in your name, or see Best Cards for Spending for top deals. If you had a joint account, however, you'll be able to get in contact with the bank and change the account solely into your name.

We've put together a list of some of the main organisations to contact. They won't all apply to everyone, but they'll help you make a start:

### Financial organisations to contact

**Bank or building society** – to close accounts and retrieve money, pay debts if necessary, or cancel standing orders and direct debits. They'll also be able to transfer any joint accounts solely into your name.

**Savings providers** – to close accounts and retrieve money. Look on a recent statement for contact details, or try Googling the provider's name. It's worth noting we've heard banks may move the deceased's savings over to an account with a lower interest rate after they've been told of the account holder's death. So check this directly with the bank as soon as you can.

**Mortgage or loan provider, credit card or store card companies** – to close accounts and pay any debts if necessary.

**Insurance companies** – to claim on any life insurance or payment protection insurance (PPI), or to cancel any existing policies such as home, car, travel or medical insurance. If you're a surviving spouse and still need the home insurance but it was in your partner's name, you can phone and get the policy changed to your name. For help reclaiming loan PPI.

**Pension companies** – to claim any values and close the accounts. Look on a recent statement for contact details, or try Googling the name of the company.

**Student Loans Company** – to get a student loan cancelled. Repayments cease when someone dies. See the Student Loans Company website for contact details.

**Any other company the deceased had a rental, hire purchase or loan with** – to close accounts and clear debts, if necessary. Again, look on a statement for contact details.

## **Utility companies and others to contact**

**Utility companies (gas, electricity, water)** – to close accounts and settle bills, if necessary, or to reclaim money that's owed. Look on a recent bill for contact details. The Consumer Council for Water also lists water companies in England and Wales. If you're the surviving spouse and are still living in the home, you'll just need to make sure the bills are now in your name. The process above can also be followed for **mobile, home phone, broadband and digital TV firms** – for contact details, try looking at bills or Googling company names.

**Landlord or local authority if they rented a property** – to stop rent payments being taken, and possibly reclaim the deposit. See Gov.uk to find contact details for your local authority.

**Royal Mail** – if any post needs redirecting. See Royal Mail and scroll down to the 'special circumstances application form', written in red text and available to download.

**The deceased's employer** – it's worth informing their employer immediately for compassionate reasons, but it's also worth a call as the deceased may have had death-in-service or other insurance linked to their work, which you may be able to claim on.

**Healthcare providers, organisations or clubs** such as their dentist, optician, any social clubs, trade unions and their church or place of worship – to cancel any memberships, collect funds owed or settle outstanding payments.

**Reduce the amount of junk mail sent to the deceased** – see the Bereavement Register and Deceased Preference Service websites for contact details. To stop baby-related mail, register with MPS Baby where companies are advised how your circumstances have changed as well as your preference not to receive further mailings about baby products and services.

**Email providers/social media** – charity Clic Sargent has information on how to ask each provider to close an email account down. And each social media platform has a process you can go through to delete an account or make one inactive.



## 5. Pay off any debts

Debts will normally need to be paid, but only if the deceased had money left. This includes mortgages, loans, credit and store cards, hire purchase agreements and any other commercial debt – excluding student loans.

**Are outstanding debts passed to family?** Importantly, only the deceased's estate is liable for any debts – not their family. If there's only enough to pay some debts, these generally need to be prioritised in this order: secured debts (such as mortgage), funeral costs, then other debts (including taxes). We've simplified this to give you an idea, but the order of payment required under law is complex. There are rules on how much everyone should get if there isn't enough to pay all of these. Contact Citizens Advice for help.

**Make the effort to find other beneficiaries.** If there is estate left to share out, it could be worth advertising this in The Gazette (the official public record for notices such as these) and the local newspaper covering the area (particularly if it's a property). Notices cost about £70, but can be claimed back from the estate.

Under the Trustee Act 1925, placing the advertisement means the executor would not be liable if someone came forward later that the executor did not know about at the time of the notice. You must wait at least two months and one day from the date of the advertisement before sharing out the estate.

**Debts in joint names.** The debt will now be the sole responsibility of the surviving person. If you're concerned about the impact this may have, contact Citizens Advice. **Check for insurance** This is well worth investigating in case debts are covered by the deceased's life insurance or PPI.

**Mortgages must be paid.** This applies even if there's no insurance. In the worst case, you may have to sell the property, but if you're in trouble, contact the lender to discuss options. Also talk to a solicitor or Citizens Advice.

**Reach an agreement with creditors to avoid future problems.** If all the deceased's assets pass to their surviving partner there may be no money left in the estate to pay any debts, which could mean they're written off. However, creditors can apply for an 'insolvency administration order' within five years of the death.

This can legally divide any property or assets that automatically pass to a surviving partner, and force a sale. So first try to come to an agreement with lenders, and try to pay them yourself if absolutely necessary. This is a complex issue, so you may need to discuss it with Citizens Advice.

## 6. Claim on any life insurance plans

Life insurance usually pays a lump sum to the spouse or family after the insured person dies. So if the deceased had a life insurance or mortgage life insurance plan, call the provider to let them know they've passed away, and to start the claims process.

If you've any info on the policy, make sure it's to hand when you call, as the policy number and details will help speed up the process. The provider will then let you know what paperwork's needed formally to put in the claim.

If you don't have the policy details, don't worry. The provider should be able to trace details of the plan through the policyholder's name, date of birth and address. they'll also need to see the death certificate to validate the claim, so be prepared to send this.

How long it'll take to come through depends on the circumstances. As a rough guide, it can be anything from a week to several months if the insurance company feels it needs to investigate further.

If you write a life insurance policy in trust, the proceeds from the policy can be paid directly to the beneficiaries rather than to your legal estate, and therefore won't be taken into account when inheritance tax (IHT) is calculated.

This is because a trust works in a similar way to an ISA wrapper – it wraps itself around whatever you have in it (eg, a life insurance policy) and protects it from the taxman, meaning they can't take any tax from money you have in there, or make the money count towards your IHT allowance.

It also means it's likely the money will be available sooner than if you had to go through probate to get it. For help with the claims process, see the Association of British Insurers.

## 7. Value the estate

Once debts and taxes are paid, you'll need to work out the total value of the deceased's assets, known as their estate. When valuing an estate you must include all the assets that the deceased owned or had an interest in:

- Money held in financial institutions.
- Property and land.
- Businesses.
- Investments – stocks, shares, ISAs etc.
- Personal items – eg, jewellery, musical instruments, stamp collections, cars etc.
- Contents of home.
- Money payable on death from a pension (excluding ongoing pension payments to a surviving partner).
- Life insurance payments paid on death, although as above, tax will not be due on policies held in trust.
- Loans made by the deceased to another person.
- Certain types of trust from which the deceased benefited (consider getting professional advice on this).
- An alternatively secured pension fund from which the deceased benefited.

Bank accounts can be added up easily, but property may need a proper valuation to work out what it's worth (see Free house price valuations on how to value a property). Insurance payouts after death may count as part of the estate, depending on the policy, so factor this in.

Gifts given by the deceased within seven years of their death may need to be taken into account, as well as assets they had an interest in (for example, if they gave property to their kids but lived in it rent-free). See Gov.uk for more on how to value someone's estate.

## 8. Share out the remaining assets

Once you've gone through all these steps, you'll be pleased to hear there's only one big financial task left to tackle – to share out what's left of the estate. Here, whatever's left once all debts and taxes are paid needs to be distributed. If there's a will, this should be simple as it should state where any remaining assets go.

### What if there's no will?

If there isn't a will, the assets are distributed under the 'rules of intestacy' (though the beneficiaries can agree among themselves to redistribute it as they wish).

Generally these mean that if the deceased was married or in a civil partnership with an estate worth £250,000 or less, everything goes to the husband, wife or civil partner (this is known as 'succession' in Scotland and different rules apply – see the Scottish Government website).

There's a complex set of rules around this depending on the surviving relatives, the amount involved and which part of the UK you're in. Unmarried partners won't automatically get a share if they weren't married or in a civil partnership, sadly they won't automatically get a share of the estate. But if the person who's died hasn't left you anything in their will, you've the option to make a claim under the Inheritance (Provision for Family and Dependants) Act 1975 in England and Wales. Other dependants may also be able to claim under this too. See Gov.uk to apply. It's worth seeking legal help if you want to do this, or if any family disputes arise – see Citizens Advice for help.

## 9. Probate services

We have outlined the steps you need to go through if you're happy to go it alone in the sections above. If you feel you need the help of a specialist like ourselves, or are struggling to deal with a particularly complicated estate there's nothing wrong with asking for help and you can contact us to discuss further.

Probate Assistance or a full Estate Administration Service is available to you in helping deal with a loved ones wishes at what is normally a very difficult and emotional time.

### **You might want to think about using a probate specialist if:**

The value of the estate is over the inheritance tax threshold and the estate is still earning a regular income where there are complicated taxes due. The standard individual inheritance tax-free threshold is £325,000. An additional main residence allowance was introduced in 2017/18, gradually raising the tax threshold for many estates until 2020.

The deceased died without a will, and it's a complicated estate to administer.

There are doubts about the validity of the will.

The deceased had dependants who were deliberately left out of the will, but who might want to make a claim on the estate.

The estate has complex arrangements, such as assets held in a trust.

The estate is bankrupt (also known as insolvent).

There are doubts that the estate is bankrupt.

The estate includes foreign property or assets.

The deceased lived outside the UK for tax purposes.

### **Summary**

We hope you have found this guide helpful, Probate can be difficult especially under the circumstances of losing a loved one. We want to make the process as easy as possible for those dealing with the estate and those benefiting. Please feel free to contact us if you foresee needing any additional help.

As Foresight are part of a larger team of experts in the financial sector, please find below the services we can provide.

## insight

financial associates

We are a leading financial services company with a team of highly qualified independent financial advisers able to advise on all aspects of your finances. Helping you to achieve your financial goals and objectives, creating wealth and security for your family.

*Insight Financial Associates are regulated and authorised by the Financial Conduct Authority.*

**t: 01603 268080**  
**e: [info@insightifa.com](mailto:info@insightifa.com)**  
**[www.insightifa.com](http://www.insightifa.com)**

## insight\*

private finance

Our consultants are experts in securing finance for the most suitable mortgage for their clients and may be able to help you save money on your existing mortgage. As part of your property purchase they also advise you on insurances to protect your home, income, lifestyle and for landlords to protect their property portfolios.

**t: 01279 709300**  
**e: [info@insightpf.com](mailto:info@insightpf.com)**  
**[www.insightpf.com](http://www.insightpf.com)**

## foresight

estate planning & will writing

Here at Foresight we help our clients protect their wealth and ensure it is passed down to their chosen beneficiaries. We specialise in the preparation and drafting of Wills, together with a wide range of other legal services, including the establishment of both post death and lifetime trust and Powers of Attorney. A vital area for everyone, providing certainty for yourself and your family.

*This firm complies with the IPW Code of Practice.*

**t: 01603 268080**  
**e: [info@foresightwills.co.uk](mailto:info@foresightwills.co.uk)**  
**[www.foresightwills.co.uk](http://www.foresightwills.co.uk)**



At Property Investor Partnership we secure high yield investment opportunities for investors in areas that will achieve long term capital growth. The team manages the entire purchase process: from reservation of the property to negotiating exclusive full management rates with local, reputable property agents to ensure suitable tenants are signed up as soon as possible after completion.

**t: 01603 268083**  
**e: [sharon@propertyip.net](mailto:sharon@propertyip.net)**  
**[www.propertyip.net](http://www.propertyip.net)**

## insight

health solutions

Our advisers provide advice on insuring the health of clients, their families and employees in a cost effective manner. This gives you the benefit of knowing that should you require medical help, you will have access to the best possible care and attention when you need it most.

*Insight Health Solutions is an appointed representative of Insight Financial Associates who are regulated and authorised by the Financial Conduct Authority.*

**t: 01603 268080**  
**e: [info@insighth.co.uk](mailto:info@insighth.co.uk)**  
**[www.insightifa.com](http://www.insightifa.com)**

## insight

accountancy services

We provide advice and guidance for clients when it comes to their personal or business taxation. We can guide you through the administration side of book-keeping and completing tax returns in a timely manner, providing security in knowing that all elements of your finances are in good order.

**t: 01603 268080**  
**e: [info@insightaccountancyservices.co.uk](mailto:info@insightaccountancyservices.co.uk)**  
**[www.insightifa.com](http://www.insightifa.com)**

Registered Head Office:

Insight House, 7a Alkmaar Way, Norwich International Business Park, Norwich, NR6 6BF  
telephone: 01603 268080 e-mail: [info@foresightwills.co.uk](mailto:info@foresightwills.co.uk) web: [www.foresightwills.co.uk](http://www.foresightwills.co.uk)  
This firm complies with the IPW Code of Practice.

