



News Article

SEVENTYSEVEN WEALTH MANAGEMENT

Proposed increases in Probate charges delayed by Brexit

BY DAVID SUMMERS, CHAIRMAN, SEVENTYSEVEN WEALTH MANAGEMENT

Sadly you and your families may one day need to deal with Probate on the death of a loved one. As well as collecting information about the estate of the deceased person you will also have to calculate whether or not there is Inheritance Tax to be paid on the estate.

When this is done you meet with the Registrar and pay a Probate fee which until now has been a relatively low fixed fee irrespective of estate value.

The Government announced some time ago that a new scale of fees linked to estate value was being introduced. There have been various delays in introduction of the new scheme and this is the latest instalment in the Probate fees saga.

The increases will see the cost of probate rise from the current flat charge of £215 to a minimum of £250.

Under the new six-band structure, fees rise to a maximum of £6,000, depending on the size of the estate being administered.

The Government is pushing forward with changes to the current probate fee structure but the start date, delayed to April 2019, has now been delayed again.

Since 1999, applications have been subject to a fixed fee for processing. The new proposals set out a banded structure, where fees rise with size of the estate.

The ongoing Brexit situation has meant that Parliament has not yet had time to process the changes required to implement the new fees BUT the fee increases are still planned to go ahead as soon as possible. We will update in future Newsletters.

PROPOSED PROBATE CHARGE STRUCTURE*

Estates worth up to £50,000 will pay £0

Estates worth from £50,000 up to £300,000 will pay £250, a rise of £35

Estates worth from £300,000 up to £500,000 will pay £750, a rise of £535

Estates worth from £500,000 up to £1 million will pay £2,500, a rise of £2,285

Estates worth from £1 million up to £1.6 million will pay £4,000, a rise of £3,785

Estates worth from £1.6 million up to £2 million will pay £5,000, a rise of £4,785

Estates worth more than £2 million will pay £6,000, a rise of £5,785

*2019 data source: www.gov.uk/money

SeventySeven
Wealth Management



telephone: 01892 770 077
email: 77wm@sjpp.co.uk | web: www.77wm.co.uk