

The Probate Process Explained

Applying for a grant of probate, or letters of administration, can often present a number of complex legal and financial challenges using technical terminology that cause more than just a little confusion. However, regardless of the complexity of the estate, each application can usually be broken down into five simple steps.

1 Identifying the assets that make up the deceased's estate.

This can include anything and everything from real property (houses, flats, commercial buildings etc), to investments and personal possessions. The estate also includes all of the their liabilities; this relates to all debts, bills and monies owed. This stage can also be a good time to identify those that are entitled to inherit, either through the terms of the Will or under the rules of intestacy.

2 Paying IHT (Inheritance Tax)

As the assets that comprise the deceased's estate have already been identified, the value of the estate can be calculated. Therefore, it will be relatively easy to tell whether inheritance tax needs to be paid before the grant of probate or letters of administration can be applied for. Once tax has been paid, the grant of representation application can be submitted.

3 Realising the estate

When the Probate Registry have issued the grant of representation, it is possible to start collating the assets that make up the deceased's estate. This includes selling property where necessary. Subsequently, final estate administration expenses can be discharged and any final inheritance tax, income tax or capital gains tax liability can be paid.

4 Estate Accounts

All payments into and out of the estate should be properly logged on the final estate accounts. This will evidence to the beneficiaries the balance that is left for distribution. The estate accounts must be approved, signed, by the executors or administrators named on the grant of representation.

5 Distribution

As long as there are no reasons or challenges that would prevent distribution of the final estate assets or value to the beneficiaries, this final step will be just that: sending to each beneficiary their share of the final value of the estate in accordance with the provisions of the Will or the rules of intestacy.

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