

ROTHERHAM TAYLOR
LIMITED
Chartered Accountants & Registered Auditors

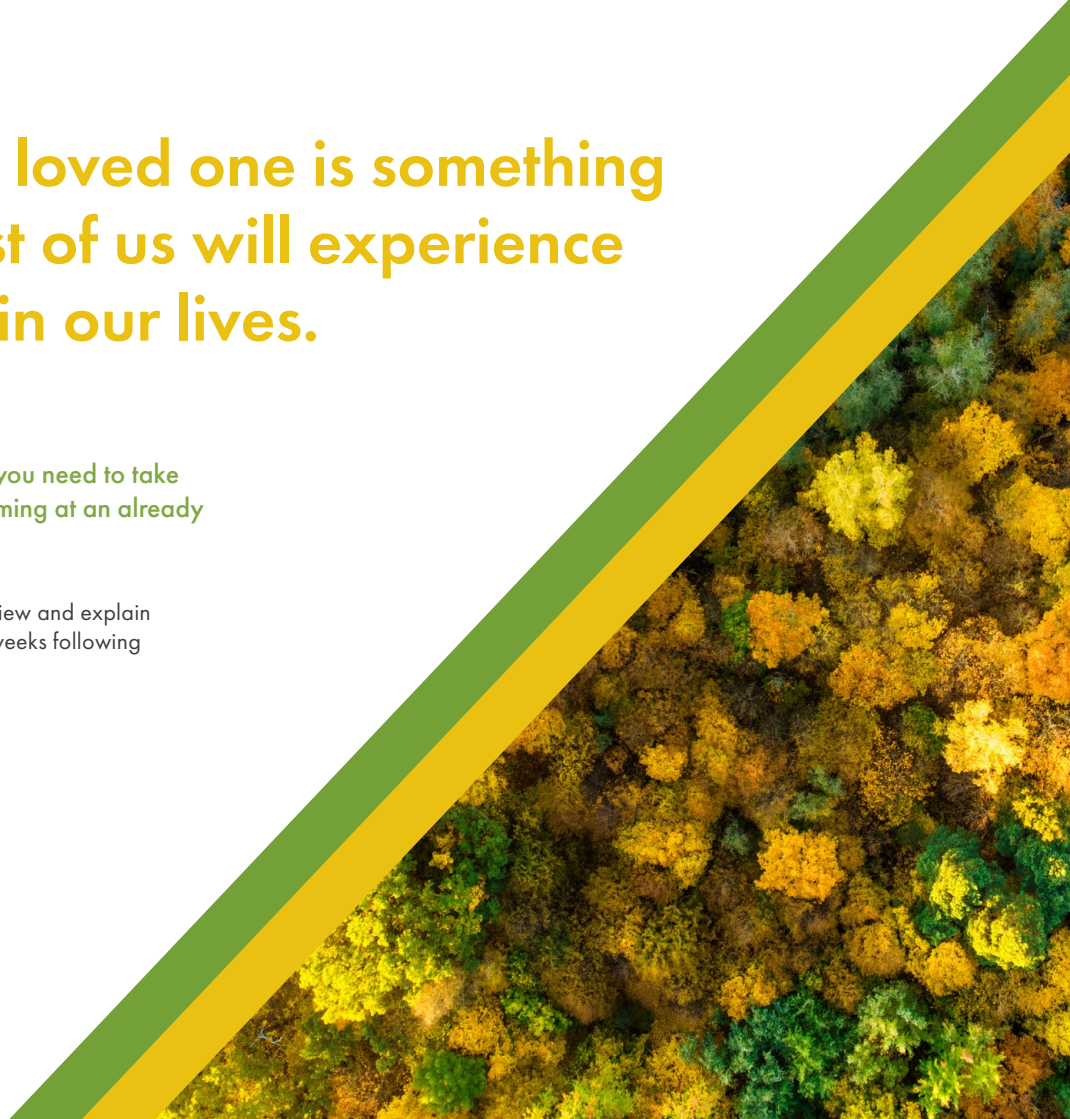
GUIDE TO DEALING WITH PRACTICAL MATTERS AFTER SOMEONE DIES

YOUR FORW**7**RD
THINKING ADVISERS

The death of a loved one is something that sadly most of us will experience at some point in our lives.

“ Knowing what practical steps you need to take following a death can feel overwhelming at an already challenging time. ”

In this guide we provide you with an overview and explain what you will need to do in the days and weeks following a loved one's death.





OBTAIN A MEDICAL CERTIFICATE

To be able to progress through the process of registering a death and carry out the associated administration, you will first need to obtain a medical certificate, which confirms the cause of death.

This should, where possible, be obtained on the day of the bereavement.



REGISTER THE DEATH

Once you have the medical certificate, you can register the death which will need to be done within five days of the date of death, unless a coroner is involved.

You will need to contact the Registrar of Births, Deaths and Marriages at the local register office in the district where the person died.

There are a number of documents you will need to take to the appointment to register the death including:

- NHS card
- Birth Certificate
- Driving licence
- Marriage or civil partnership certificate (if applicable)
- National Insurance number of the deceased and the National Insurance number of a surviving spouse or civil partner (if applicable)
- Passport
- Proof of address e.g. a council tax bill or utility bill

It is also advisable to take some supporting documents that show your own name and address, such as a utility bill.

When the death has been registered, you will be given a Green Certificate for burial or cremation which you need to provide to the Funeral Director.

You will also be able to purchase certified copies of the death certificate. These cost between £8 and £12 and it is a good idea to obtain a few additional copies as you will need these to administer the deceased's estate.



LOCATE THE WILL

You will need to locate the most up to date Will, particularly as this may include your loved one's wishes as to whether they are buried or cremated, plus any other funeral preferences.

If the Will is not located at the deceased's home, it may be stored with their solicitor, an accountant or by a bank that offers Will drafting and storage services.

If you have been unable to find a Will, the estate will need to be administered under the assumption that the deceased didn't leave a Will. This is called dying intestate and the estate is administered by the next of kin under the rules of intestacy.



ARRANGE THE FUNERAL

Find out whether your loved one had a pre-paid funeral plan in place, in which case you can contact the provider who will handle the arrangements.

If not, contact a local funeral director and they will help you to plan the funeral. You'll be asked if the deceased had any funeral preferences, which is something you may already know or it may be recorded in the Will.





ACTING AS AN EXECUTOR OR ADMINISTRATOR

If you are the next of kin or a close member of the family, you may be asked to act as a 'Legal Personal Representative' to handle the administration of the estate.

There are two types of Legal Personal Representative:

Executors:

In the Will, the deceased usually names the person or people they want to take on the role of executor.

Sometimes there is just one 'sole' executor although it is also common for the duties to be shared by two or more executors who act 'jointly'.

Administrators:

If there is no Will then, under Intestacy Rules, it is usually the next of kin who will take legal responsibility to administer the estate. This person is known as the Administrator.

It is important to know that even if you have been appointed as an Executor in the Will or as an Administrator, you are not compelled to take on the role.

Whilst some people will find the process reasonably straightforward, disputes over estates are increasing and there have been several cases where Executors have faced personal financial claims from beneficiaries, creditors and tax authorities.

If you would like to discuss your options, please get in touch with the team at Rotherham Taylor and we can provide you with help and support.



CHECK THE WILL IS VALID

When you have located the Will, this needs to be checked to ensure that it is “legally valid”.

This means ensuring that the Will is:

- In writing and is the latest version
- Signed by the person who made it; and
- Witnessed by two adult witnesses

“ It is important to know that where a witness to the Will or their spouse is also a beneficiary, the Will remains valid but the gift to the witness or their spouse will fail. ”





IDENTIFY THE ASSETS AND LIABILITIES

You will need to identify all the assets and liabilities of the estate and ensure there are sufficient funds for creditors and to cover Inheritance Tax if applicable (IHT).

Even if the estate falls below the IHT threshold, you will still need to declare it to HM Revenue & Customs (HMRC).

“ It is important to obtain a full valuation of any possessions, money, bonds, shares and debts (and previous gifts in the seven years prior to death) in order to calculate the value of the estate for tax assessment and distribution purposes. ”

Typically, the estate will include:

- Money and investments held in bank and savings accounts, pensions ISAs and shares
- Personal possessions such as jewellery, household contents and any vehicles
- Any property owned by the deceased





IS A GRANT OF PROBATE NEEDED?

A Grant of Probate is the legal document which confirms that the deceased's Will is valid and gives authority to the Legal Personal Representative to administer the estate and follow the deceased's wishes in their Will.

If the deceased died without a Will, you can instead apply for a 'Grant of Letters of Administration'.

A Grant isn't required every time someone dies. Usually, it won't be necessary if the deceased held all their assets in joint names with someone else who is still alive, or if they owned very little.

“ If a Grant is not needed, you can gather together the deceased person's assets. You will need the Death Certificate and your own ID (such as a passport and proof of address) to show that you are the Executor. ”

The Estate can then be distributed to the beneficiaries as set out in the Will, or in line with the Rules of Intestacy.

A Grant of Probate is usually required where the deceased had assets in their sole name of over £5,000. Some high street banks will now release funds of up to £50,000 without a Grant but this is discretionary and each bank has its own threshold before requiring a Grant.

If you are not sure whether a Grant is needed or require advice, we are happy to assist you.



COMPLETE THE RELEVANT PROBATE AND IHT FORMS

Applying for a Grant of Probate involves:

- Completing a probate application form (PA1P or PA1A)
- Completing an Inheritance Tax form (IHT 205 or IHT 400 if no tax is payable) together with a probate summary form (421) and sending to HMRC
- Sending the application and form 421, once it has been stamped by HMRC, to your local Probate Office, with the death certificate, the original Will and an application fee

If you require assistance with probate and IHT forms, please get in touch with us.



CONSIDER OPENING A SEPARATE BANK ACCOUNT

Once you have received the Grant of Probate, you can collect the assets and pay off any debts owed by the estate.

You may also need to close bank accounts, sell property, collect pensions and sell or transfer stocks and shares.



COMPLETE PERSONAL AND ESTATE TAX RETURNS

You will be required to review the deceased's personal income tax affairs and, if necessary, submit a final return to HMRC.

In addition, returns covering the administration period may be required.

Please contact us if you are unsure whether a return is required or if you would like help with the relevant submissions.

PARTIAL DISTRIBUTION OF ESTATE ASSETS

Estate administrations can take many months to complete and any property may take time to sell. However, cash assets may be collected in very quickly following issue of the Grant.

Where cash is held by the Legal Personal Representative, they may consider making an interim payment to the beneficiaries.

If the Legal Personal Representative is happy to make an interim payment, they will discuss this with the beneficiaries and any agreed amount is usually paid direct to the beneficiary's bank account.

LEGACIES IN A WILL

A legacy is a gift the deceased specifically references in the Will. This might be a lump sum cash payment, possessions such as items of jewellery or a donation to charity.

You will need to plan for all of the relevant distributions included in the Will and this may include arranging for specific items to be delivered to the recipient or making payments into the beneficiaries' bank accounts.



FINAL DISTRIBUTION OF THE ESTATE

As the money from the estate is collected, one of the last jobs is to prepare the estate accounts.

This will provide a record of the estate and should be sent to the beneficiaries with their final payment.

“ Tax certificates should also be prepared for the beneficiaries, detailing the amount of income they have received. ”

The beneficiaries will need this information when considering their own tax affairs.

It is important to remember that you can be held personally liable if an estate is wrongly distributed.

ROTHERHAM TAYLOR – HERE TO HELP YOU

If you have any concerns about any of the steps in this guide, we are here to help.

Rotherham Taylor are one of a small number of accountancy practices in the UK to be licensed to provide probate services by the Institute of Chartered Accountants in England and Wales (ICAEW).

We only charge for the work that we do; we do not charge a percentage fee based on the value of the estate. Our charges are based on hourly rates which are available on request and a fee guideline is always issued as part of our engagement procedures.

Our existing detailed knowledge of a client's financial affairs means we can act quickly and effectively on probate matters with consequent cost benefits. However, you do not need to be an existing client for us to provide you with this service.

To find out more, please get in touch with us. Call us on **01772 735865** or email **info@rtaccountants.co.uk**

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