

PROBATE STATUTORY FEES AND COURT COSTS

(Deficiency Checklist Follows This Important Information)

Probate fees are set by California's Probate Code §10810. The statutory fees prescribed by §10810 are based on the value of the estate, as determined during the probate process. The value of the estate is generally determined by the inventory conducted by the estate's executor, and sometimes with the assistance of court prescribed referees. Unfortunately, in making the valuation, the court does not consider the debts of the estate to offset the gross valuation, and thus determines the fees based upon just the gross valuation of the assets in probate. For example, if a house is appraised at \$1,000,000 but has an outstanding mortgage of \$800,000, the house is still valued at \$1,000,000 for the purposes of calculating statutory probate fees.

Statutory probate fees under §10810 are as follows:

- 4% of the first \$100,000 of the estate
- 3% of the next \$100,000
- 2% of the next \$800,000
- 1% of the next \$9,000,000
- 5% of the next \$15,000,000

The table below lists the California statutory fees for various sizes of estates. Be mindful, however, that these fees may be applied twice—once to cover legal costs related to probate, and once to cover executor fees.

It is also important to note that such statutory fees contemplate only ordinary probate. If the probate proceedings are complicated by

lawsuits or tax issues, or if there is a larger than normal inventory of assets going through probate, the court may approve additional fee amounts in excess of the statutory amount, at its discretion. The court is typically known to approve additional fees in cases where a dispute arises during the probate process.

Accordingly, this chart helps you calculate how much money will be coming out of your pocket to pay for probate fees. Probate means less money for your family and more money for probate attorneys and the courts.

Let's imagine that you have a \$500,000 home, \$100,000 in stocks, \$50,000 in cash, and a \$20,000 car when you pass away. Your estate will be valued at \$670,000, which means your family will be paying almost \$34,000 in probate fees, plus court filing fees, before they can receive whatever's left in your estate. Ouch! And there will be additional attorney's fees if your family fights over your assets.

Value of Estate	Fees to Probate Attorney	Fees to Personal Representative	Minimum Probate Fees*
\$200,000	\$7,000	\$7,000	\$14,000
\$300,000	\$9,000	\$9,000	\$18,000
\$400,000	\$11,000	\$11,000	\$22,000
\$500,000	\$13,000	\$13,000	\$26,000
\$600,000	\$15,000	\$15,000	\$30,000
\$700,000	\$17,000	\$17,000	\$34,000
\$800,000	\$19,000	\$19,000	\$38,000
\$900,000	\$21,000	\$21,000	\$42,000
\$1,000,000	\$23,000	\$23,000	\$46,000
\$1,500,000	\$28,000	\$28,000	\$56,000
\$2,000,000	\$33,000	\$33,000	\$66,000
\$3,000,000	\$43,000	\$43,000	\$86,000
\$4,000,000	\$53,000	\$53,000	\$106,000
\$5,000,000	\$63,000	\$63,000	\$126,000
\$6,000,000	\$73,000	\$73,000	\$146,000
\$7,000,000	\$83,000	\$83,000	\$166,000
\$8,000,000	\$93,000	\$93,000	\$186,000
\$9,000,000	\$103,000	\$103,000	\$206,000
\$10,000,000	\$113,000	\$113,000	\$226,000
\$15,000,000	\$138,000	\$138,000	\$276,000
\$20,000,000	\$163,000	\$163,000	\$326,000

***REMEMBER: IF BOTH THE ATTORNEY AND EXECUTOR RECEIVE A FEE, THE ESTATE WILL PAY DOUBLE THAT AMOUNT SHOWN IN THE ABOVE TABLE. ALSO, THESE AMOUNTS DO NOT INCLUDE COURT FEES, REFEREE FEES, AND RELATED INCIDENTAL COSTS, WHICH WOULD BE ADDITIONAL COSTS.**

(Not So) Fun Fact

Over sixty percent of Americans don't have an estate plan, which is the reason the probate industry is a \$2 billion per year business. That's \$2 billion dollars every year that families like yours are not pocketing from their loved ones.

Estate Planning Makes Financial Sense

Probate is likely 10 to 20 times more expensive than estate planning, so it's a no-brainer to plan ahead so your family can avoid probate. By permitting the use of living trusts and other tools to avoid probate, the law gives you a golden ticket to hand to your family.

Will you take advantage of it?

Estate planning has intrinsic value. Your family will know what to do with the things you leave behind without going to probate court. They will be less likely be fighting over who should get what. And they'll spend more time honoring your legacy and moving forward with their own lives.



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ESTATE PLAN DEFICIENCY CHECKUP:

Did You Know...?

If you don't have a valid will or trust, then state laws will determine how your assets pass, to whom they pass, and when they pass. This could lead to unnecessary estate and income taxes, your estate being consumed by creditors, your estate being tied up in probate court (possibly for years ...), and other undesired results, and is perhaps the most costly and emotionally draining way to pass assets to your loved ones.

ANSWER THE FOLLOWING QUESTIONS AND CALL FOR A FREE CONSULTATION.

CIRCLE ONE

Do you have a Will or a Trust in place? Yes No Don't Know
Even if you circled "Yes" above, Congress, state legislatures, and the courts are constantly changing the rule book. In fact, there have been several major estate and income tax law changes in recent years. Depending on your circumstances, an out-of-date estate plan might be missing valuable planning opportunities and could cost your family dearly in extra taxes and administration costs.

Has your Will or Trust been professionally reviewed in the last two years? Yes No Don't Know

If you are a gun owner, does your estate plan include a separate gun trust to carry on the firearm legacy and to avoid the commission of accidental Felonies by your spouse, trustees, agents under powers, and advisors? Yes No Don't Know

If you own a business, are your entity documents current and consistent with your estate plan? Yes No Don't Know

Are you certain that your estate plan will minimize possible federal And state death taxes on your house, life insurance and IRAs?..... Yes No Don't Know

Are you confident that your estate plan is income tax efficient? Yes No Don't Know

Does your plan unnecessarily fund an irrevocable sub trust by formula?..... Yes No Don't Know

Does your estate plan allow flexibility at the first death to avoid both estate tax and capital gains tax at the death of the surviving spouse? Yes No Don't Know

Does your Advance Health Care Directive permit the person of your choosing (spouse, child, family) to make emergency health care

decisions for you in the event you are unable to do so?	Yes	NO	Don't Know
Does your estate plan contain a customized plan for determining whether you are mentally disabled?	Yes	No	Don't Know
Does your estate plan give instructions for your care and the care of your loved ones in the event of disability?	Yes	No	Don't Know
If you have a Revocable Living Trust in place as part of your estate plan, is your trust fully funded so that your family can avoid the delays and expenses of probate?.....	Yes	No	Don't Know
Have you taken steps to avoid possible will contests and disputes during the administration of your estate?	Yes	No	Don't Know
Does your estate plan protect your children's inheritance in the event your surviving spouse chooses to remarry?.....	Yes	No	Don't Know
Have you recently checked the beneficiary designations of your retirement plans and life insurance policies, and are you confident that you have not listed your estate or minor children as primary or secondary beneficiaries?	Yes	No	Don't Know
Does your estate plan provide creditor and lawsuit protection for assets passed to your surviving spouse?	Yes	No	Don't Know
Does your estate plan protect assets passed to children in case of divorce, or from squander by those children, or seizure by creditors?	Yes	No	Don't Know
Does your estate plan include a separate retirement trust protecting inherited retirement funds from divorce, creditors, and squander by children while maximizing tax savings and stretch-out growth?.....	Yes	No	Don't Know
Are you satisfied with persons named as guardians of your minor children?	Yes	No	Don't Know
Are you satisfied with the persons selected as executor and trustee?	Yes	No	Don't Know
Are you confident that your executor, agent under power of attorney, and successor trustee, are prepared to act on your behalf when asked?	Yes	No	Don't Know

Did you circle "No" or "Don't Know" anywhere on this list?

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Business and Family Estate Planning
Business and Family Asset Protection Planning
Business Employment Law