

Queensland Public Trustee

Proposed fees and charges reform for key services — public consultation

Deceased estate services



About our deceased estate services and customers

Queensland Public Trustee (QPT) manages around 2,000 deceased estates at any given time. We manage assets and liabilities of deceased people and distribute their estates according to their Wills or the laws of intestacy.

Our services are available to all Queenslanders, including those with low estate values that other service providers do not see commercial benefit in servicing. Over half of the estates we manage are valued at less than \$50,000.

Why we propose to reform our fees

We are proposing to reform our fees to better reflect the cost of providing these services. Right now, we only recover around 60% of the cost to deliver our services, which isn't sustainable. These changes would help us to keep supporting Queenslanders who need us most, while ensuring the long-term viability of the service.

Proposed changes

The proposed changes would:

- Adjust deceased estate fees to better reflect the current cost of providing these services.
- Make it easier for our customers to understand the fee structure.

Two options are being considered:

Option 1: This option charges fees based on the total value of assets in the estate, similar to how many trustee organisations operate. Additionally, it introduces a structured fee rebate for smaller estates, which we currently do not offer. A key limitation of this option is that fees may not match the work involved. Larger estates don't always require more work, so charging higher fees based solely on their size may be unfair.

Option 2 (preferred): This option keeps the basic structure of the current fee system but updates the fees to better reflect the actual cost of providing each service. Instead of a single fee, it breaks down the charges into smaller fees for each activity, like general administration, obtaining orders to administer, and transfer of real property. This makes the fee structure more transparent and ensures everyone pays a fair amount based on the services they receive.

Contact us

Phone **1300 360 044** Web **www.pt.qld.gov.au**



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What it would mean for our customers

- Any changes to fees would not affect estates currently under administration.
- Fees for the preferred option would remain among the lowest in the market.
- Most customers with estates valued over \$300,000 (nearly a quarter of estates under administration annually) would pay more in fees under Option 1. Nearly all would pay more in fees under Option 2 (see Figure 1).
- Despite the broader fee increase, Option 2 would result in a fairer system for all customers as fees are more closely aligned to the cost of services provided.
- Under Option 2 fees would increase by 50% for estates valued up to \$25,000 (see Figure 2).
- Under Option 1 for estates valued under \$25,000, the cost of the service would not be recovered, and the shortfall would need to be met by an alternative funding source.
- Option 2 would recover more than 90% of the service cost, while Option 1 would only recover 70%. Option 2 is better aligned with the reform objective of improving the financial sustainability of the QPT.

Figure 1

Indicative fees for estates with \$300,000 to \$400,000

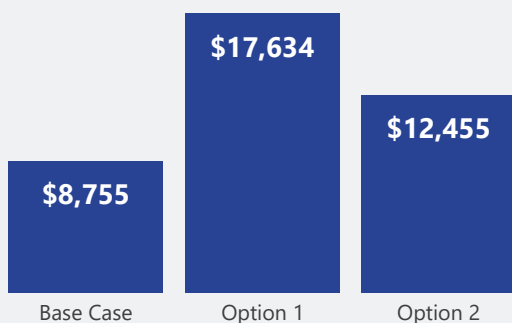
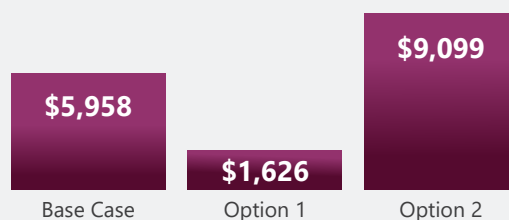


Figure 2

Indicative fees for estates with \$0 to \$25,000



Have your say

To inform public discussion and feedback, the **Queensland Public Trustee: Fees and charges for key services — public consultation paper** has been developed to provide a detailed rationale on the different fee reform options for key services.

Public consultation on QPT's fees and charges reform for key services is open for comment until Wednesday 8 May 2024.

Visit www.pt.qld.gov.au to view the consultation paper and to find out how you can provide feedback.

Next steps

Consultation feedback will be considered before a decision is made about the new fees. Customers would be notified in advance of any changes to the fees and charges.

Proposed changes are anticipated to be made over a 12 to 18 month period to provide time for customers who have nominated QPT as executor of their Will to seek an alternative service provider if they choose.

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