

2018 Regular Session

HOUSE BILL NO. 234

BY REPRESENTATIVE EDMONDS

FINANCIAL INSTITUTIONS: Provides relative to deposited funds payable to a surviving spouse

1 AN ACT

2 To amend and reenact R.S. 9:1513, relative to deposited funds payable to a surviving spouse
3 without court proceedings; to provide for an increase in the amount of funds
4 released; to modify with respect to the description of financial institutions; to remove
5 a reporting requirement with respect to funds released by a payor institution; and to
6 provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 9:1513 is hereby amended and reenacted to read as follows:

9 §1513. Payment to surviving spouse without court proceedings

10 A. Any ~~bank or other~~ federally insured depository institution may pay to the
11 surviving spouse of a depositor a sum not to exceed ~~ten~~ twenty thousand dollars out
12 of the deposits of a decedent or out of deposits of the community between the
13 survivor and the decedent, deposited in the name of the decedent₂ or of the survivor₂
14 or in the name of the decedent jointly with the survivor or otherwise, without any
15 court proceedings, order₂ or judgment authorizing the same ~~or determining whether~~
16 ~~or not an inheritance tax is due~~. The surviving spouse shall give to the paying
17 depository an affidavit that the total funds withdrawn do not exceed ~~ten~~ twenty
18 thousand dollars from all depositories.

19 B. In the event of such payment, the receipt of the surviving spouse to whom
20 it is made is a full release and discharge of the payor ~~bank or other~~ federally insured

1 depository institution for the amount paid and for any inheritance tax determined to
 2 be due, and no tax collector, creditor, heir, personal representative, or any other
 3 person shall have any right or cause of action against any ~~bank or other~~ federally
 4 insured depository institution on account of the payment. ~~R.S. 47:2410 does not~~
 5 ~~apply to such cases.~~

6 C. Notwithstanding the provisions of ~~Subsection (A) hereof~~ Subsection A
 7 of this Section, in the event a surviving spouse possesses funds which have been
 8 deposited in an account listed solely in the name of ~~said the~~ surviving spouse, the
 9 payor ~~bank or other~~ federally insured depository institution may release such funds
 10 in the account of the surviving spouse without liability for any estate, inheritance, or
 11 succession taxes which may be due to the state, ~~provided the payor bank or other~~
 12 ~~depository shall notify the collector of revenue within seven days of the release of~~
 13 ~~any funds in such accounts.~~

14 D. Notwithstanding the provisions of this Section or any other provision of
 15 law, the provisions of R.S. 6:312 ~~shall~~ establish the exclusive method for payment
 16 of funds from an alternative account.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 234 Original

2018 Regular Session

Edmonds

Abstract: Increases the amount of funds a depository may release to a surviving spouse.

Without a court proceeding, order, or judgment authorizing the release of funds or providing a determination of inheritance taxes due, present law authorizes a "bank or other depository" (hereinafter, "payor") to pay the surviving spouse of a depositor a sum not in excess of \$10,000.

Proposed law increases the amount payable from \$10,000 to \$20,000 and deletes present law with respect to a judicial determination concerning an inheritance tax. Otherwise retains present law.

Present law prohibits certain persons' right of action against a payor releasing funds to a surviving spouse. Provides the prohibited right of action against certain persons does not apply to cases of distributions made by a partnership as described in present law (R.S. 47:2410).

Proposed law deletes the statutory reference (R.S. 47:2410) which creates inapplicability of present law to distributions made by partnerships. Otherwise retains present law.

Present law authorizes a payor to release funds to a surviving spouse when funds are deposited in an account listed solely in the surviving spouse's name. Authorizes the release of funds without liability to the payor for any estate, inheritance, or succession taxes owed to the state. Requires the payor to notify the collector of revenue within 7 days of the release of such funds.

Proposed law deletes the payor's requirement to notify the collector of revenue. Otherwise retains present law.

Present law makes reference to a "bank or other depository" when describing the type of entity from which a surviving spouse may withdraw deposited funds. Proposed law changes every present law reference from "bank or other depository" to "federally insured depository institution".

(Amends R.S. 9:1513)