

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 7

H. P. 2

Office of the Clerk of the House

Filed November 18, 1974 under Joint Rule 6 by Mr. Shute of Stockton Springs. To be printed and delivered to the House of Representatives of the 107th Legislature.

E. LOUISE LINCOLN, Clerk

Presented by Mr. Shute of Stockton Springs.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FIVE

AN ACT Relating to Valuation of Shares of Joint Owners of Property and to the Disposition of Joint Property on Death of a Joint Owner.

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. 9 MRSA, § 515, sub-§ 2, first sentence, as last repealed and replaced by PL 1967, c. 386, is amended to read:

All such accounts, whenever opened, or such shares and accounts in loan and building associations whenever issued, payable to either or the survivor, ~~who are husband and wife, up to, but not exceeding an aggregate value of \$10,000~~ and payable to either of 2 or more or the survivor of those persons who are parent and child, grandparent and grandchild, or brothers and sisters, up to, but not exceeding an aggregate value of \$5,000 including interest and dividends, in the name of the same persons in all banks, savings banks, loan and building associations or trust companies within this State shall, in the absence of fraud or undue influence, upon the death of any such persons, become the sole and absolute property of the survivor or survivors, even though the intention of all or any one of the parties be in whole, or in part, testamentary and though a technical joint tenancy be not in law or fact created.

Sec. 2. 9 MRSA, § 515, sub-§ 3, is enacted to read:

3. Property of survivor; husband and wife. All such accounts, whenever opened, or such shares and accounts in loan and building associations whenever issued, payable to either or the survivor, who are husband and wife, shall, in the absence of fraud or undue influence, upon the death of any such persons, become the sole and absolute property of the survivor, even though

the intention of all or any one of the parties be in whole, or in part, testamentary and though a technical joint tenancy be not in law or fact created.

Sec. 3. 36 MRSA, § 3461, sub-§ 1, ¶¶ C and D, are repealed and the following enacted in place thereof:

C. By survivorship in any form of joint ownership including joint bank deposits, credit union accounts and savings and loan accounts between husband and wife solely, the value to be determined as provided in section 3632 of this Part. By survivorship in all other joint bank deposits, credit union accounts and savings and loan accounts in which the decedent contributed during his lifetime any part of the property held in such joint ownership.

Sec. 4. 36 MRSA, § 3632, as amended by PL 1965, c. 95, is further amended to read:

§ 3632. Value of share of joint owner

If the decedent, at the time of his death, shall be the co-owner of any form of property, ~~other than joint bank deposits or joint building and loan shares~~ in any form of joint ownership with right of survivorship, ~~including joint bank deposits, joint credit union accounts or joint savings and loan accounts~~ in the name of a husband and wife only, but not including ~~other joint bank deposits, joint credit union accounts or joint savings and loan accounts~~, whenever created, the value of such joint ownership shall be determined by dividing the whole value of the property by the number of co-owners, regardless of the amount, if any, contributed by any individual co-owner.

1. Joint business of husband and wife. If the decedent, at the time of his death, is jointly engaged in an unincorporated business solely with his spouse, the value of the decedent's interest in such business shall be deemed to be 50% of the whole value, regardless of the amount, if any, contributed by either spouse.

FISCAL NOTE

It is estimated that this bill will result in a loss of General Fund revenue of \$90,000 for one full year.

STATEMENT OF FACT

The purpose of this bill is to amend procedures for valuation of shares of joint owners of property and to the disposition of joint property on death of a joint owner.