

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
SENATE  
FIRST SPECIAL SESSION  
107TH LEGISLATURE

COMMITTEE AMENDMENT "A" to S.P. 664, L.D. 2102, Bill,  
"AN ACT Relating to Property of Survivor where Joint Deposits  
or Accounts are Involved."

Amend said Bill by striking out everything after the  
enacting clause and inserting in place thereof the following:

'Sec. 1. 9-B MRSA §427, sub-§4, ¶B, as enacted by PL 1975,  
c. 500, §1 and as amended by PL 1975, c. 571, §1, is repealed  
and the following enacted in place thereof:

B. Property of survivor. All such deposits or accounts,  
whenever opened or issued, payable to either or the survivor  
who are husband and wife including interest and dividends,  
in the name of the same persons in any financial institution  
within this State shall, in the absence of fraud or undue  
influence, upon the death of one of such persons, become  
the sole and absolute property of the survivor. All such  
deposits or accounts, whenever opened or issued, payable to  
either or 2 or more or the survivor of those persons who  
are parent and child, up to, but not exceeding an aggregate  
value of \$20,000, and payable to either or 2 or more or  
the survivor of persons who are not husband and wife or  
parent and child up to, but not exceeding an aggregate value  
of \$5,000 including interest and dividends, in the name of  
the same persons in all financial institutions 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. The amount which so becomes the sole and absolute property of the survivor or survivors of persons who are not husband and wife shall be exclusive of, and in addition to, any amount to which the survivors are entitled under common law as contributors to the deposit or deposits, account or accounts, share or shares.

Sec. 2. 36 MRSA §3461, sub-§1, ¶D is repealed and the following enacted in place thereof:

D. By survivorship in any form of joint ownership, including joint bank deposits and joint building and loan shares held in the names of a husband and wife, but excluding the joint deposits and shares held in the names of any persons who are not husband and wife, whenever created, the value of decedent's interest in such joint ownership to be determined for the purpose of chapters 551 to 573 as provided by section 3632.

Sec. 3. 36 MRSA §3632, as amended by PL 1965, c. 95, is repealed and the following enacted in place thereof:

§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 in any form of joint ownership

with right of survivorship, whenever created, including joint building and loan shares held in the names of a husband and wife, but excluding the joint deposits and shares held in the names of persons who are not husband and wife, the value of the 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.

Statement of Fact

The purpose of the bill was to remove all limits on joint bank accounts so that the survivor would receive all of the account. This amendment removes the limitation for husband and wife, raises the limitation for parent and child from \$5,000 to \$20,000, keeps the limitation at \$5,000 for certain other relatives and establishes a limitation of \$5,000 for nonrelated persons.

This amendment changes the inheritance tax provisions of the bill to accord to the different treatment given to different types of accounts. The inheritance tax where applicable for husband and wife accounts would be computed by dividing the value of the account in half. The tax for other persons resulting from such accounts would depend on contributions to the account as in the present law.

This amendment would have no effect on revenues.

Reported by the Committee on Business Legislation.

Reproduced and distributed pursuant to Senate Rule 11-A.

March 22, 1976.

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