WordPerfect Document Compare Summary

Original document: Z:\TODRealProp\blackletter_AM08.wpd
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Deletions are shown with the following attributes and color:
    Strikethrough, Blue  RGB(0,0,255).
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The document was marked with 69 Deletions, 98 Insertions, 0 Moves.
[ARTICLE] 1

GENERAL PROVISIONS

SECTION 101. SHORT TITLE. This [act] may be cited as the Real Property Transfer on Death Act.

SECTION 102. DEFINITIONS. In this [act]:

(1) “Beneficiary” means a person that receives property under a transfer on death deed.

(2) “Designated beneficiary” means a person designated as a beneficiary to receive property in a transfer on death deed.

(3) “Joint owner” means an individual who owns property concurrently with one or more other individuals with a right of survivorship. The term includes a joint tenant[,,] and an owner of community property with a right of survivorship[] and a tenant by the entirety. The term does not include a tenant in common [or an owner of community property without a right of survivorship].

(4) “Person” means an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, public corporation, government or governmental subdivision, agency, or instrumentality, or any other legal or commercial entity.

(5) “Property” means an interest in real property that is transferable on the death of the owner.

(6) “Transfer on death deed” means a deed authorized under this [act].

(7) “Transferor” means an individual who executes and acknowledges a recorded transfer on death deed.
SECTION 103. APPLICABILITY. This [act] applies to a transfer on death deed executed before, on, or after [the effective date of this [act]] by a transferor dying on or after [the effective date of this [act]].

SECTION 104. NONEXCLUSIVITY. This [act] does not affect any method of transferring property otherwise permitted under the law of this state.
[ARTICLE] 2

TRANSFER ON DEATH DEED

SECTION 201. TRANSFER ON DEATH DEED AUTHORIZED. An individual may transfer property to one or more beneficiaries effective at the transferor’s death by a transfer on death deed.

SECTION 202. TRANSFER ON DEATH DEED REVOCABLE. A transfer on death deed is revocable even if the deed or a separate agreement contains a contrary provision.

SECTION 203. TRANSFER ON DEATH DEED NONTESTAMENTARY. An effective transfer on death deed is non testamentary.

SECTION 204. CAPACITY OF TRANSFEROR. The capacity required to make or revoke a transfer on death deed is the same as the capacity required to make a will.

SECTION 205. REQUIREMENTS. A transfer on death deed must:

1. contain the essential elements of a recordable inter vivos deed, except as otherwise provided in paragraph (2);
2. state that the transfer to the designated beneficiary is to occur at the transferor’s death;
3. be acknowledged by the transferor before a notary public or other individual authorized by law to take acknowledgments; and
4. be recorded before the transferor’s death in the [county] where the property is located.

SECTION 206. NOTICE, DELIVERY, ACCEPTANCE, CONSIDERATION NOT
REQUIRED. A transfer on death deed is effective without:

(1) notice or delivery to or acceptance by the designated beneficiary during the transferor’s lifetime; or

(2) consideration.

SECTION 2067. REVOCATION.

(a) Except as provided in this section, no instrument revokes a recorded transfer on death deed.

(b) Subject to subsection (bc), a transferor may revoke a recorded transfer on death deed by recording, an instrument, recorded before the transferor’s death, in the [county] where the property is located, that is either:

(1) the transferor’s subsequently acknowledged transfer on death deed that revokes the previously acknowledged deed expressly or by inconsistency; or

(2) the transferor’s subsequently acknowledged revocation form that revokes the previously acknowledged deed either by description of the property or by reference to the recording information of the deed.

(bc) The following rules apply to a transfer on death deed made by more than one transferor:

(1) Revocation by a transferor does not affect the deed as to the interest of another transferor.

(2) A deed made by joint owners is revoked only if it is revoked by all of the surviving living joint owners.

(ed) After a transfer on death deed has been recorded, it may not be revoked by a physical act performed on the deed.
(d) A transfer on death deed may not be revoked or modified by will.

SECTION 2078. EFFECT OF DEED DURING TRANSFEROR’S LIFETIME.

During the transferor’s lifetime, a transfer on death deed does not:

1. affect the interests or rights of the transferor or any other owners in the property;
2. affect the interests or rights of creditors or transferees, whether or not they have notice of the property deed;
3. affect the transferor’s or designated beneficiary’s eligibility for any form of public assistance;
4. create a legal or equitable right to the property interest in favor of the beneficiary; or
5. create an expectancy in favor of the designated beneficiary that can be assigned or encumbered in law or equity; or
6. make the property subject to claims or process of the designated beneficiary’s creditors.

SECTION 2089. EFFECT OF DEED AT TRANSFEROR’S DEATH.

(a) Except as otherwise provided in this section and in state statute on antilapse, revocation by divorce or homicide, survivorship and simultaneous death, and elective share, if applicable to nonprobate transfers], on the death of the transferor, the following rules apply to property that is the subject of an effective transfer on death deed:

1. The property owned by the transferor at death is transferred to the designated beneficiaries that survive the transferor in accordance with the deed.
2. Unless the deed provides otherwise, concurrent beneficiaries receive equal and
undivided interests in the property with no right of survivorship among them [unless two of the

beneficiaries are husband and wife, in which event they receive their interests in the property as

[joint tenants][tenants by the entirety][owners of community property with right of survivorship]]:

(3) If no designated beneficiary survives the transferor, the property is transferred to

the transferor’s estate.

(b) Except as otherwise provided by [cite state recording act], a beneficiary’s interest in the

property is subject to all conveyances, encumbrances, assignments, contracts, mortgages, liens, and

other interests to which the property is subject at the transferor’s death. For purposes of this

subsection and [cite state recording act], the recording of the transfer on death deed is void:

(b) Deemed to have occurred at the transferor’s death of

c (c) If a transferor who is a joint owner and is

(1) survived by one or more other joint owners, the property that is the subject of a

transfer on death deed belongs to the surviving joint owner or owners, and the right of survivorship

continues between or among the surviving joint owners.

(2) the last surviving joint owner, the transfer on death deed is effective at the death

of the last surviving joint owner if that owner is a transferor on the deed:

(c) A beneficiary receives a transferor’s interest at the transferor’s death subject to all:

(1) conveyances made during the transferor’s lifetime; and

(2) encumbrances, assignments, contracts, mortgages, liens, and other interests,

whether recorded and whether created before or after the recording of the

Legislative Note: States should determine whether their statutes on antilapse,

revocation by divorce or homicide, survivorship and simultaneous death, and the elective share

of the surviving spouse apply to nonprobate transfers such as transfer on death deed, to which
SECTION 209. DISCLAIMER.

Alternative 1

Deeds. On the desirability of extending these probate rules to nonprobate transfers, see the Legislative Note and Comment to Section 403.

SECTION 210. DISCLAIMER. A beneficiary may disclaim all or part of the beneficiary’s interest as provided by [cite state statute or the Uniform Disclaimer of Property Interests Act].

Alternative 2

Subject to the law of this state limiting the right to disclaim property, a beneficiary under a transfer on death deed may disclaim all or part of the beneficiary’s interest by recording a disclaimer in the [county].

Legislative Note: States should check their disclaimer statutes for any necessary amendments. For many states, including states with the Uniform Disclaimer of Property Interests Act (1999), the principal amendment would be to replace the usual requirement that the disclaimer be delivered (for here, after the transferor’s death, there is no obvious individual to whom delivery can be made) with a requirement that the disclaimer be recorded in the county where the property that is the subject of the disclaimer is located.

End of Alternatives

SECTION 210. For a state with the superseded disclaimer provisions of pre-1999 Uniform Probate Code Section 2-801, an amendment should also be made to the provisions governing the time of disclaimer, to treat the beneficiary’s interest under a transfer on death deed as if it had devolved under a testamentary instrument.

SECTION 211. NO COVENANTS OR WARRANTIES. A transfer on death deed transfers property without covenant or warranty of title even if the deed contains a contrary provision.

SECTION 211. PROTECTION OF BONA FIDE PURCHASERS OR ENCUMBRANCERS. A bona fide purchaser or encumbrancer to whom a beneficiary transfers an
interest in the property received under a transfer on death deed has the same rights and protections as
if the transfer had been made by a grantee of an inter vivos deed:

SECTION 212. PROOF OF DEATH. Proof of the death of a transferor or a beneficiary
of a transfer on death deed must be established in the same manner as proof of the death of a joint
tenant [under [cite state statute]]:

SECTION 213. PROCEEDING TO CONTEST TRANSFER ON DEATH DEED:
(a) After the transferor’s death, the transferor’s personal representative or an interested
person may contest the validity of a transfer on death deed on the basis of fraud, undue influence;
duress, mistake, or other invalidating cause:
(b) A contest proceeding under this section must be brought in the [_____] court in the
[county] where [the administration of the transferor’s estate would be proper][the property that is the
subject of the transfer on death deed is located]:
(c) A contest proceeding under this section must be commenced within the earlier of:
(1) [three years] after the transferor’s death; or
(2) [one year] after the beneficiary establishes the transferor’s death:
(d) Upon initiation of a contest proceeding, the contestant may record a notice of lis pendens
in the [county] where the transfer on death deed is recorded.:

SECTION 214. LIABILITY OF A
SECTION 212. LIABILITY OF BENEFICIARY FOR CREDITOR CLAIMS AND STATUTORY ALLOWANCES.

Alternative A

A beneficiary of a transfer on death deed is liable for allowed claims against the transferor’s probate estate and statutory allowances to a surviving spouse and children to the extent provided in [cite state statute or Section 6-102 of the Uniform Probate Code].
SECTION 301.

Alternative B

(1) A beneficiary of a transfer on death deed is liable for allowed claims against the transferor’s probate estate and statutory allowances to a surviving spouse and children to the extent the transferor’s probate estate is inadequate to satisfy those claims and allowances. The beneficiary's liability under this section may not exceed the value of the property received by the beneficiary under the transfer on death deed.

End of Alternatives

Legislative Note: Alternative A is for a state with an existing statute governing creditors’ rights in nonprobate transfers, such as Uniform Probate Code §6-102. States are encouraged to enact such statutes, thereby treating nonprobate transfers comprehensively. Alternative B is a second-best approach, supplying creditor protection but governing only transfer on death deeds and not other nonprobate mechanisms.

The section is bracketed because some states do not extend creditors’ rights to nonprobate transfers.
OPTIONAL FORMS

Legislative Note: This article is bracketed for states wishing to provide optional statutory forms. An enacting jurisdiction should review its statutory requirements for deeds and for acknowledgments and amend the statutory forms provided in Sections 301 and 302 where necessary for conformity with those requirements.

SECTION 301. OPTIONAL FORM OF TRANSFER ON DEATH DEED.

The following form satisfies the requirements for forms may, but need not, be used to create a transfer on death deed. The other sections of this [act] govern the effect of these or any other writings used to create a transfer on death deed under this [act]:

(1)

(front of form)

REVOCABLE TRANSFER ON DEATH DEED

SHORT FORM

NOTICE TO OWNER

You should carefully read all information on the other side of this form. YOU MAY WANT TO CONSULT A LAWYER BEFORE USING THIS FORM.

This form must be recorded before your death, or it will not be effective.

IDENTIFYING INFORMATION

Owner or Owners Making This Deed:

(printed name) (mailing address)
(printed name)  (mailing address)

Provide the legal [Legal] description of the property:

________________________________________

________________________________________

________________________________________

________________________________________

PRIMARY BENEFICIARY OR BENEFICIARIES

I revoke all my previous transfer on death deeds affecting the described property, and designate the following beneficiary [or beneficiaries who survive me to receive the property (in equal and undivided shares with no right of survivorship between them, unless I say otherwise in this deed):

____ PRIMARY BENEFICIARY OR BENEFICIARIES — include mailing addresses if he or she survives me.

Printed name Mailing address, if available

________________________________________

________________________________________

________________________________________

________________________________________

ALTERNATE BENEFICIARY OR BENEFICIARIES — OPTIONAL

If no above beneficiary survives [ALTERNATE BENEFICIARY — Optional]

If my primary beneficiary does not survive me, I designate the following alternate beneficiary [or beneficiaries who survive me to receive the property (in equal and undivided shares with no right of survivorship between them, unless I say otherwise in this deed):
Alternate Beneficiary or Beneficiaries – include mailing addresses if he or she survives me.

Printed name __________________________ Mailing address, if available


TRANSFER ON DEATH

At my death, I transfer my interest in the described property to the beneficiary or beneficiaries on my death as indicated above.

Before my death, I have the right to revoke this deed.

SIGNATURE OF OWNER OR OWNERS MAKING THIS DEED:

______________________________[(SEAL)] ______________________

    (signature)                      (date)

______________________________[(SEAL)] ______________________

    (signature)                      (date)

ACKNOWLEDGMENT

[insert acknowledgment for deed here]

(back of form)

COMMON QUESTIONS ABOUT THE USE OF THIS FORM

WHAT DOES THE TRANSFER ON DEATH (TOD) DEED DO? When you die, the beneficiaries will become owners of the property described in the TOD deed this deed transfers the described property, subject to any debts or liens or mortgages (or other encumbrances) you have put on the property during your lifetime. Probate is not required. The TOD deed has no effect until you die.
You can revoke it at any time. You are also free to transfer the property to someone else during your lifetime. If you do not own any interest in the beneficiary under property when you die, this deed will have no effect.

**HOW DO I MAKE A TOD DEED?** Complete this form. Have it acknowledged before a notary public or other individual authorized by law to take acknowledgments. Record the form in each [county] where any part of the property is located. The form must be acknowledged and recorded before your death or it has no effect.

**HOW DO I FIND THE “LEGAL DESCRIPTION” OF THE PROPERTY?** This information may be on the deed you received when you became an owner of the property. This information may also be available in the office of the [county recorder] for the [county] where the property is located. If you are not absolutely sure, consult a lawyer.

**HOW DO I “RECORD” THE TOD DEED?** Take the completed and acknowledged form to the [county recorder] for the [county] where the property is located. Follow the instructions given by the [county recorder] to make the form part of the official property records. If the property is in more than one [county], you must record the deed in each [county].

**CAN I REVOKE THE TOD DEED IF I CHANGE MY MIND?** Yes. The TOD deed is revocable. No one, including the beneficiaries, can prevent you from revoking the deed.

**HOW DO I REVOKE THE TOD DEED?** There are two ways to revoke a recorded TOD deed:

(1) Complete and acknowledge a revocation form, and record it in each [county] where the property is located. (2) Complete and acknowledge a new TOD deed that disposes of the same property, and record it in each [county] where the property is located. In addition, you can transfer the property to someone else during your lifetime.

**I AM BEING PRESSURED TO COMPLETE THIS FORM. WHAT SHOULD I DO?** Do not complete this
form under pressure. Seek help from a trusted family member, a friend, or a lawyer.

DO I NEED TO TELL THE BENEFICIARIES ABOUT THE TOD DEED? No, but it is recommended.

Secrecy can cause later complications and might make it easier for others to commit fraud.

WHAT IF I NAME MORE THAN ONE BENEFICIARY? You may name more than one beneficiary.

Unless you say otherwise in the deed, the primary

(front of form)

REVOCABLE TRANSFER ON DEATH DEED

LONG FORM

NOTICE TO OWNER

You should carefully read all information on the other side of this form. YOU MAY WANT TO CONSULT A LAWYER BEFORE USING THIS FORM.

This form must be recorded before your death, or it will not be effective.

IDENTIFYING INFORMATION

Owner or Owners Making This Deed:

__________________________________________________________

(printed name) (mailing address)

__________________________________________________________

(printed name) (mailing address)

__________________________________________________________

Legal description of the property:

__________________________________________________________

__________________________________________________________

__________________________________________________________

__________________________________________________________
PRIMARY BENEFICIARY DESIGNATION

I revoke all my previous transfer on death deeds affecting the described property, and designate the following beneficiaries who survive you (or if none survives you, me to receive the property. They will receive it in equal and undivided shares with no right of survivorship among them, unless I say otherwise here:

I have checked “Yes” or “No” in the far right column to indicate whether, if a beneficiary fails to survive me, the share should instead be transferred to the beneficiary’s descendants who survive me, by operation of state law (known as the “antilapse statute”).

Printed name Mailing address, if available Descendants instead?

____________________ ____________________ yes □ no □

____________________ ____________________ yes □ no □

____________________ ____________________ yes □ no □

ALTERNATE BENEFICIARY DESIGNATION – Optional

If no primary beneficiaries survive me (and, if applicable, state law has not transferred the property to their descendants by the antilapse statute), I designate the following alternate beneficiaries) will become co-owners in equal shares.

SECTION 302. FORM OF REVOCATION.

A document substantially in the following form satisfies the requirements for a form of revocation under this [act]:

who survive me to receive the property. They will receive it in equal and undivided shares with no right of survivorship among them, unless I say otherwise here:
TRANSFER ON DEATH

I transfer my interest in the described property to the beneficiaries on my death.

Before my death, I have the right to revoke this deed.

SIGNATURE OF OWNER OR OWNERS MAKING THIS DEED:

[signature]                  (date)

 ACKNOWLEDGMENT

[insert acknowledgment for deed here]

COMMON QUESTIONS ABOUT THE USE OF THIS FORM

WHAT DOES THE TRANSFER ON DEATH (TOD) DEED DO? When you die, this deed transfers the described property, subject to any debts or liens or mortgages (or other encumbrances) you have put on the property during your lifetime. Probate is not required. The TOD deed has no effect until you die. You can revoke it at any time. You are also free to transfer the property to someone else during your lifetime. If you do not own any interest in the property when you die, this deed will have no effect.

HOW DO I MAKE A TOD DEED? Complete this form. Have it acknowledged before a notary
public or other individual authorized by law to take acknowledgments. Record the form in each
[county] where any part of the property is located. The form must be acknowledged and recorded
before your death or it has no effect.

**HOW DO I FIND THE “LEGAL DESCRIPTION” OF THE PROPERTY?** This information may be on
the deed you received when you became an owner of the property. This information may also be
available in the office of the [county recorder] for the [county] where the property is located. If you
are not absolutely sure, consult a lawyer.

**HOW DO I “RECORD” THE TOD DEED?** Take the completed and acknowledged form to the
[county recorder] for the [county] where the property is located. Follow the instructions given by the
[county recorder] to make the form part of the official property records. If the property is in more
than one [county], you must record the deed in each [county].

**CAN I REVOKE THE TOD DEED IF I CHANGE MY MIND?** Yes. The TOD deed is revocable. No
one, including the beneficiaries, can prevent you from revoking the deed.

**HOW DO I REVOKE THE TOD DEED?** There are two ways to revoke a recorded TOD deed:
(1) Complete and acknowledge a revocation form, and record it in each [county] where the property
is located. (2) Complete and acknowledge a new TOD deed that disposes of the same property, and
record it in each [county] where the property is located. In addition, you can transfer the property to
someone else during your lifetime.

**I AM BEING PRESSURED TO COMPLETE THIS FORM. WHAT SHOULD I DO?** Do not complete this
form under pressure. Seek help from a trusted family member, a friend, or a lawyer.

**DO I NEED TO TELL THE BENEFICIARIES ABOUT THE TOD DEED?** No, but it is recommended.
Secrecy can cause later complications and might make it easier for others to commit fraud.
SECTION 302. OPTIONAL FORM OF REVOCATION. The following form may, but need not, be used to create a form of revocation under this [act]. The other sections of this [act] govern the effect of this or any other writing used to create a form of revocation under this [act].

(front of form)

REVOCATION OF TRANSFER ON DEATH DEED

NOTICE TO OWNER

This revocation must be recorded before you die or it will not be effective. This revocation is effective only as to the interests in the property of owners who sign this revocation.

IDENTIFYING INFORMATION

Owner or Owners of Property Making This Revocation:

(printed name) (mailing address)

(printed name) (mailing address)

Provide either (1) the legal description of the property or (2) the recording information of the transfer on death deed:

REVOCATION

I revoke all my previous transfer on death deeds affecting this property.

SIGNATURE OF OWNER OR OWNERS MAKING THIS REVOCATION
ACKNOWLEDGMENT

[insert acknowledgment here]

(back of form)

COMMON QUESTIONS ABOUT THE USE OF THIS FORM

HOW DO I USE THIS FORM TO REVOKE A TRANSFER ON DEATH (TOD) DEED? Complete this form. Have it acknowledged before a notary public or other individual authorized to take acknowledgments. Record the form in each [county] where the property is located. The form must be acknowledged and recorded before your death or it has no effect.

HOW DO I FIND THE “LEGAL DESCRIPTION” OF THE PROPERTY OR THE “RECORDING INFORMATION” OF THE TOD DEED TO BE REVOKED? This information may be on the TOD deed. It may also be available in the office of the [county recorder] for the [county] where the property is located. If you are not absolutely sure, consult a lawyer.

HOW DO I “RECORD” THE FORM? Take the completed and acknowledged form to the [county recorder] for the [county] where the property is located. Follow the instructions given by the [county recorder] to make the form part of the official property records. If the property is located in more than one [county], you must record the deed in each of those [counties].

I AM BEING PRESSURED TO COMPLETE THIS FORM. WHAT SHOULD I DO? Do not complete this form under pressure. Seek help from a trusted family member, a friend, or a lawyer.
SECTION 401. UNIFORMITY OF APPLICATION AND CONSTRUCTION. In applying and construing this uniform act, consideration must be given to the need to promote uniformity of the law with respect to its subject matter among the states that enact it.

SECTION 402. RELATION TO ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT. This [act] modifies, limits, and supersedes the federal Electronic Signatures in Global and National Commerce Act, 15 U.S.C. Section 7001, et. seq., but does not modify, limit, or supersede Section 101(c) of that act, 15 U.S.C. Section 7001(c), or authorize electronic delivery of any of the notices described in Section 103(b) of that act, 15 U.S.C. Section 7003(b).

SECTION 403. REPEALS. The following acts and parts of acts are hereby repealed:

(1) ...........................................
(2) ...........................................
(3) ...........................................

Legislative Note: In light of the growing harmonization of the rules governing probate and nonprobate transfers, states may wish to consider extending to nonprobate mechanisms, such as transfer on death deeds, the probate rules governing antilapse, revocation by divorce, revocation by homicide, survivorship and simultaneous death, and the elective share of a surviving spouse.

SECTION 404. EFFECTIVE DATE. This [act] takes effect .........................