

February 22, 1999

**H 112. SECURITIES TRANSFER ON DEATH. TO ENACT THE UNIFORM TRANSFER ON DEATH (TOD) SECURITY REGISTRATION ACT.** Changes the title of ch. 41 of the General Statutes to "Estates and Interests in Property" and enacts new art. 4, ch. 41, to provide for the transfer of securities on death of the owner. Provides for the registration of securities in beneficiary form, which means that in the registration the owner designates the person who will become the owner at his or her death. Registration in beneficiary form can only be done if the registration shows sole ownership or multiple ownership by two or more individuals with right of survivorship, such as joint tenants with right of survivorship, tenants by the entireties, or owners of community property held in survivorship form, but not as tenants in common. A security may be registered in beneficiary form if the form is authorized by this or a similar statute of the state of organization of the issuer or registering entity, the location of the registering entity's principal office, the office of its transfer agent or its office making the registration, or by this or a similar statute of the law of the state listed as the owner's address at the time of registration. A registering entity, which means a person who originates or transfers a security title, including brokers and transfer agents, is not required to offer or accept a request for security registration in beneficiary form. If it does accept such registration, it may place terms and conditions on the form of registration. On the death of the sole owner or the last to die of all multiple owners, ownership of securities registered in beneficiary form passes to the beneficiary or beneficiaries who survive the owners. Transfer on death is effective by virtue of the contract between the owner and the registering entity and this statute and is not testamentary. The interest of the decedent, however, remains liable for his or her debts in the same manner as personal property included in the decedent's estate. The act applies to registration of securities in beneficiary form made before, on, or after the effective date of the act, which is Oct. 1, 1999, by decedents dying on or after the effective date.

**Intro. by Barefoot.**

Ref. to Judiciary II

GS 41, 28A

March 9, 1999

**H 112. SECURITIES TRANSFER ON DEATH.** Intro. 2/22/99. House committee substitute makes the following changes to 1st edition. Changes title to reflect that the bill was recommended by the General Statutes Commission. Revises new GS 41-48(c) to clarify that the Article does not repeal or modify any provision of law relating to estate or inheritance taxes. Deletes proposed language in GS 28A-15-10(a) in original bill relating to sources from which assets may be acquired.