

HOUSE BILL No. 1038

DIGEST OF INTRODUCED BILL

Citations Affected: IC 29-1-8-3; IC 29-3-3-1.

Synopsis: Small estates and payment of debt owed to a minor. Provides that a personal representative of a decedent or a person acting on behalf of the distributees of a decedent whose gross estate, less liens and encumbrances, does not exceed \$25,000 in value may close the estate under the summary procedures for small estates. (Current law allows a person to close an estate under the summary procedures if the gross estate, less liens and encumbrances, does not exceed \$15,000 in value.) Increases from \$3,500 to \$10,000 the maximum amount of debt owed to a minor and the maximum value of property belonging to a minor that may be paid or delivered to a person having the care and custody of the minor without giving a bond or an order of the court.

Effective: July 1, 1998.

Alevizos, Foley

January 6, 1998, read first time and referred to Committee on Judiciary.



Second Regular Session 110th General Assembly (1998)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1997 General Assembly.

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A BILL FOR AN ACT to amend the Indiana Code concerning probate.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 29-1-8-3, AS AMENDED BY P.L.118-1997,
2 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 1998]: Sec. 3. (a) If it appears that the value of a decedent's
4 gross probate estate, less liens and encumbrances, does not exceed the
5 sum of:

6 (1) ~~fifteen~~ **twenty-five** thousand dollars (~~\$15,000~~); (**\$25,000**);
7 (2) the costs and expenses of administration; and
8 (3) reasonable funeral expenses;
9 the personal representative or a person acting on behalf of the
10 distributees, without giving notice to creditors, may immediately
11 disburse and distribute the estate to the persons entitled to it and file a
12 closing statement as provided in section 4 of this chapter.

13 (b) If an estate described in subsection (a) includes real property, an
14 affidavit may be recorded in the office of the recorder in the county in
15 which the real property is located. The affidavit must contain the
16 following:

17 (1) The legal description of the real property.



- 1 (2) The following statement: "It appears that the decedent's gross
 2 probate estate, less liens and encumbrances, does not exceed the
 3 sum of the following: ~~the allowance, if any, provided by~~
 4 ~~IC 29-1-4-1, twenty-five thousand dollars (\$25,000)~~, the costs
 5 and expenses of administration, and reasonable funeral
 6 expenses."
- 7 (3) The name of each person entitled to at least a part interest in
 8 the real property as a result of a decedent's death, the share to
 9 which each person is entitled, and whether the share is a divided
 10 or undivided interest.
- 11 (4) A statement which explains how each person's share has been
 12 determined.
- 13 SECTION 2. IC 29-3-3-1 IS AMENDED TO READ AS FOLLOWS
 14 [EFFECTIVE JULY 1, 1998]: Sec. 1. (a) Any person indebted to a
 15 minor or having possession of property belonging to a minor in an
 16 amount not exceeding ~~three ten thousand five hundred dollars (\$3,500)~~
 17 **(\$10,000)** may pay the debt or deliver the property without the
 18 appointment of a guardian, giving of bond, or other order of court
 19 directly to any person having the care and custody of the minor with
 20 whom the minor resides.
- 21 (b) Persons receiving property for a minor under this section are
 22 obligated to apply the property to the support, use, and benefit of the
 23 minor.
- 24 (c) This section does not apply if the person paying or delivering the
 25 property knows that a guardian has been appointed for the minor or that
 26 proceedings for appointment of a guardian for the minor are pending.
- 27 (d) A person who pays or delivers property in accordance with this
 28 section in good faith is not responsible for the proper application of that
 29 property.

