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SURVIVORSHIP FORMS OF PERSONAL PROPERTY

You may avoid probate by placing your assets in survivorship form. To place your assets in survivorship form, you must first contact the institution that holds your assets. By signing certain documents you will enable the passage of your assets to designated individuals upon your death. Examples of survivorship forms of assets are as follows:

Bank accounts: Placing your bank accounts in survivorship form allows them to pass to the individual named on the account by virtue of the account designation with the financial institution. Examples of this are as follows:

- (a) Name of husband and wife;
- (b) Name of husband, payable upon death to wife.

The examples above are between husbands and wives; however, any accounts with any individuals can be established in these forms.

Life insurance: These proceeds avoid probate provided you designate an intended beneficiary in the policy. Therefore, one should always designate a beneficiary and a contingent beneficiary. The designated beneficiary is the individual you want to receive the funds first and the contingent beneficiary is the person you want to receive these funds if the designated beneficiary passes away or cannot receive the funds.

Annuities: This form of investment, much like life insurance, should have a primary beneficiary and a contingent beneficiary. Therefore, if you have any annuities, make certain that the beneficiary form is completed and up to date.

Individual Retirement Accounts: These may also be established with a designated beneficiary. At the time of an individual's death, the proceeds from an individual retirement account will pass to the intended beneficiary. If the intended beneficiary is a spouse, many times the spouse has the right to roll these accounts into his or her own individual retirement account and avoid any taxable income. Therefore, if you intend your spouse to receive the proceeds of an individual retirement account, make certain that the spouse is the primary beneficiary so that he or she may receive this tax savings. Other beneficiaries such as children or significant others may accept the funds within a beneficiary IRA.

Automobile: The Ohio Revised Code permits the transfer of two automobiles outside of the estate to a surviving spouse. This law permits the transfer of two automobiles that are in the deceased spouse's name to the surviving spouse thus avoiding probate. Also, you may hold a motor vehicle in survivorship form with another person and upon the other's death, transfer the motor vehicle to the survivor. The statute also permits the transfer of one boat and motor outside probate.

As you can see from the illustrations above, accounts/investments in survivorship form permit assets to transfer without going through the Probate Court.

The information you obtain at this site is not, nor is it intended to be, legal advice. You should consult an attorney for individual advice regarding your own situation.

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