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**FISCAL IMPACT STATEMENT**

**LS 6212**

**BILL NUMBER: SB 65**

**NOTE PREPARED:** Feb 24, 2010

**BILL AMENDED:** Feb 22, 2010

**SUBJECT:** Guardianships, Estate Administration, Trust Matters, and Wills.

**FIRST AUTHOR:** Sen. Zakas

**FIRST SPONSOR:** Rep. VanHaften

**BILL STATUS:** 2<sup>nd</sup> Reading - 2<sup>nd</sup> House

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** No Fiscal Impact

**Summary of Legislation:** (Amended) This bill specifies the requirements of an affidavit used to state that no inheritance tax is due after applying statutory exemptions to each transferee receiving property as a result of the decedent's death. It requires that inheritance tax returns include all taxable transfers known to the person filing the return. It specifies a guardian's powers concerning the estate planning of a protected person. It repeals the current statute governing a guardian's authority to engage in estate planning for a protected person. It makes various changes to statutes concerning the following: (1) the transfer on death of motor vehicles and watercraft; (2) probate notice requirements; (3) protected persons; (4) funeral declarations; (5) attorneys in fact; (6) nonprobate transferees; (7) the Transfer on Death Act; and (8) disclaiming interests in property. The bill prescribes trust interpretation rules to protect discretionary interests held by beneficiaries. It precludes creditor actions against certain trust interests. It authorizes matrimonial trusts. It authorizes a trustee to decant a trust. It authorizes a trustee to close a trust when a beneficiary cannot be found by selling the beneficiary's share and depositing the proceeds with the clerk of the court. It requires the clerk to hold the proceeds for the use and benefit of the person or persons thereafter determined by law to be entitled to the proceeds. It also provides that trusts and wills of decedents who die in 2010 that contain certain formulas refer to the federal estate tax and generation-skipping transfer tax laws as they applied to estates of decedents on December 31, 2009.

(The introduced version of this bill was prepared by the Probate Code Study Commission.)

**Effective Date:** (Amended) July 1, 2009 (retroactive); December 1, 2009 (retroactive); July 1, 2010.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:**

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