

2018 Kansas Statutes

9-1215. Payable on death accounts. (a) Subject to the provisions of this section, an individual owner of an account may enter into a written contract with any bank located in this state that provides that at the time of the owner's death, the balance of the owner's legal share of the account shall be paid to one or more beneficiaries. If a beneficiary has predeceased the owner, that beneficiary's share shall be divided equally among the remaining beneficiaries unless the contract provides otherwise.

(b) If any beneficiary is a minor at the time funds become payable to the beneficiary pursuant to this section, the bank shall pay out in accordance with K.S.A. 59-3053, and amendments thereto.

(c) During the owner's lifetime, the owner has the right to both withdraw funds on deposit in the account in the manner provided in the contract, in whole or in part, as though no beneficiary has been named, and to change the designation of beneficiary. No change in the designation of the beneficiary shall be valid unless executed in the form and manner prescribed by the bank and delivered to the bank prior to the death of the owner.

(d) The interest of the beneficiary shall not vest until the death of the owner. Vesting of the beneficiary's interest is subject to the following if, prior to the owner's death or payment to the beneficiary, the bank has received written notice:

(1) From the department for children and families of a claim pursuant to K.S.A. 39-709, and amendments thereto, the balance of the owner's share shall be paid to the department for children and families to the extent of medical assistance expended on the deceased owner, with the beneficiary then receiving the balance of the owner's share, if any remains; or

(2) of the owner's surviving spouse's intent to claim an elective share under K.S.A. 59-6a214, and amendments thereto, the balance of the owner's share shall be paid to the court having jurisdiction as provided in K.S.A. 59-6a214, and amendments thereto, to the extent of the owner's surviving spouse's elective share, with the beneficiary then receiving the balance of the owner's share, if any remains.

(e) Transfers pursuant to this section shall not be considered testamentary or be invalidated due to nonconformity with the provisions of chapter 59 of the Kansas Statutes Annotated, and amendments thereto.

(f) Payment by the bank of the owner's deposit account pursuant to the provisions of this section shall release and discharge the bank from further liability for the payment.

(g) For the purposes of this section:

(1) The balance of the owner's deposit account or the balance of the owner's legal share of a deposit account shall be construed to not include any portion of the account which under the law of joint tenancy is the property of another joint tenant of the account upon the death of the owner; and

(2) where multiple owners exist, such owners will be presumed to own equal shares of the deposit account unless the deposit contract with the bank specifies a different percentage of ownership for the owners.

History: L. 1979, ch. 177, § 1; L. 1980, ch. 166, § 2; L. 1982, ch. 104, § 1; L. 1984, ch. 51, § 1; L. 1989, ch. 48, § 35; L. 1992, ch. 150, § 1; L. 2002, ch. 114, § 47; L. 2015, ch. 38, § 74; July 1.

Revisor's Note:

Section was also amended by L. 2015, ch. 42, § 1, but that version was repealed by L. 2015, ch. 100, § 17.