

# House Research Act Summary

**CHAPTER:** 36

**SESSION:** 2013 Regular Session

**TOPIC:** Multiparty accounts and agency designation

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## Overview

This act allows for agency designation on accounts so that an agent can act for the benefit of the owner without being granted an ownership right or power of attorney. This act provides the procedures for creating an agency designation on an account and form language to create single or multiparty accounts with an agent. This act also clarifies the filing deadlines for Tax Court.

### Section

- 1 Timely mailing treated as timely filing.** Makes the postmark date the date of filing for the purposes for appeals in Tax Court. The filing still is required to be properly addressed, stamped, and have all the forms required by law. This section is effective for mailings after August 1, 2013.
- 2 Defining agent.** Adds the definition of “agent,” as a person authorized to make account transactions for a party, to the definition section.
- 3 Party.** Excludes an agent from the definition of a “party” who has rights to an account.
- 4 Ownership of account.** Clarifies the agency designation does not give an agent a beneficial rights to sums on the deposit in the account.
- 5 Rights of survivorship.** Technical changes are made to the law that is clarifying that the deposits remaining at the death of a party are distributed to the surviving party or parties except when there is clear and convincing evidence of a different intention or there are different dispositions made by a valid will.

**Section**

- 6 Discharge from claims.** The liability exception is extended to agency designations and the financial institution is not protected when written notice has been given and the financial institution has had a reasonable opportunity to act. Adds that a financial institution that receives written notice pursuant to this section or has reason to believe a dispute exists can refuse, without fear of liability, to make a payment in accordance with the terms of the account.
- 7 Sample form for contract deposit.** Provides a sample form to create a single or multiparty account with optional survivorship rights and optional agency designation.
- 8 Nonconforming contract of deposit.** Provides that if the contract of deposit does not contain substantially the same provisions as the form in this section, then it is governed by the provisions applicable to an account that most nearly conforms to the depositor's intent.
- 9 Designation of agent.** Provides that an agent can be designated with a writing and that the agency survives disability or incapacity unless indicated in the writing. This section also provides how an agency can be terminated and the liability of a financial institution related to knowledge of the termination of an agency designation.
- 10 Types of account; existing accounts.** Allows agency designations on either single party or multiparty accounts and when a payable on death account designation is made as well. This section preserves previously made accounts and applies this chapter to those accounts and all future accounts made after August 1, 2013.