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By: Delegates Preis, Dembrow, Heller, Petzold, Harkins, Comeau, Jacobs, and Bonsack Introduced and read first time: February 12, 1998 Assigned to: Judiciary					
House	mittee Report: Favorable with amendments e action: Adopted second time: March 3, 1998				
	CHAPTER				
1 A	AN ACT concerning				
2	Estates and Trusts - Limitation Period for Refund Claims				
4 5 6 7	FOR the purpose of clarifying a limitation period for filing a claim for refund after distribution of certain property to the Department of Health and Mental Hygiene or a board of education under certain circumstances; providing for the application of this Act; and generally relating to a limitation period for refund claims. BY repealing and reenacting, without amendments, Article - Estates and Trusts Section 10-103(b) Annotated Code of Maryland				
12 13 I 14 15 16 17	(1991 Replacement Volume and 1997 Supplement) BY repealing and reenacting, with amendments, Article - Estates and Trusts Section 3-105 and 9-108 Annotated Code of Maryland (1991 Replacement Volume and 1997 Supplement)				
18	Preamble				
21 1	WHEREAS, § 10-103 of the Estates and Trusts Article provides that a claim may not be brought against a person to whom property has been distributed at the later of 3 years after the death of the descendent or 1 year after the time of distribution of the property; and				

3	WHEREAS, The statute of limitations provided in § 10-103 of the Estates and Trusts Article applies to claims made by persons for a refund of an estate which was distributed to a local board of education or the Department of Health and Mental Hygiene under § 3-105 or § 9-108 of the Estates and Trusts Article; and					
	WHEREAS, It is the intent of the General Assembly to clarify the statute of limitations for filing a claim for refund under § 3-105 or § 9-108 of the Estates and Trusts Article; now, therefore,					
8 9	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:					
10	Article - Estates and Trusts					
11	3-105.					
12 13	(a) (1) The provisions of this subsection are applicable if there is no person entitled to take under §§ 3-102 through 3-104 of this subtitle.					
16	(2) (i) If an individual was a recipient of long-term care benefits under the Maryland Medical Assistance Program at the time of the individual's death, the net estate shall be converted to cash and paid to the Department of Health and Mental Hygiene, and shall be applied for the administration of the program.					
20	(ii) If the provisions of subparagraph (i) of this paragraph are not applicable, the net estate shall be converted to cash and paid to the board of education in the county in which the letters were granted, and shall be applied for the use of the public schools in the county.					
24 25	2 (b) (1) After payment has been made to the Department of Health and 3 Mental Hygiene or to the board of education, if a claim for refund is filed by a relative 4 within the fifth degree living at the death of the decedent or by the personal 5 representative of the relative, and the claim is allowed, the claimant shall be entitled 6 to a refund, without interest, of the sum paid.					
27 28	(2) A CLAIM FOR REFUND UNDER THIS SUBSECTION MAY NOT BE FILE AFTER THE LATER OF:	ED				
29	(I) 3 YEARS AFTER THE DEATH OF THE DECEDENT; OR					
30	(II) 1 YEAR AFTER THE TIME OF DISTRIBUTION OF THE PROPER	TY.				
31	9-108.					
34	(a) The personal representative shall pay over or transfer the money or property or its proceeds, as directed by order of court, to the board of education in the county where the letters were granted, and it shall be applied for the use of the public schools in such county, whenever it appears to the satisfaction of the court that:					

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3		e personal	sonal representative has been unable to contact an heir or l representative's lack of knowledge of the location of rt is satisfied that reasonable efforts have been made to			
		2) An heir or legatee is a nonresident of the United States and would enefit of use or control at its full value of money or other property heir's or legatee's distributive share or legacy; or				
	•	withheld	pecial circumstances make it appear desirable that payment because of national or international action affecting or the full use and enjoyment of it.			
13 14 15	legatee, the claimant proceeds from the sal	heir or le is entitle le of prop	payment has been made to the board of education, a claim for egatee, or by the personal representative of the heir or d to a refund, without interest, of the sum paid, or the perty if not in the form of cash when transferred to the market value at the time of transfer if not converted to			
17 18	(2) AFTER THE LATER		IM FOR REFUND UNDER THIS SUBSECTION MAY NOT BE FIL	ED		
19		(I)	3 YEARS AFTER THE DEATH OF THE DECEDENT; OR			
20		(II)	1 YEAR AFTER THE TIME OF DISTRIBUTION OF THE PROPE	RTY		
21	10-103.					
	2 (b) (1) Except as provided in §§ 10-102 and 11-109 of this article, the right 3 of a person seeking to recover property improperly distributed, or the value of it, from 4 a person to whom property has been distributed is forever barred at the later of:					
25		(i)	Three years from the death of decedent; or			
26		(ii)	One year from the time of distribution of the property.			
	(2) received as the result distribution.		osection does not bar recovery of property or the value of it eir's or legatee's participation in a fraudulent			
	specified by this Act	are decla	ratory of existing law, and shall apply whether a red before, on, or after the effective date of this Act.			
33 34	SECTION 2. 3. A effect October 1, 199		IT FURTHER ENACTED, That this Act shall take			