
By: **Delegate Finifter**

Introduced and read first time: February 12, 1999

Assigned to: Judiciary

A BILL ENTITLED

1 AN ACT concerning

2 **Estates and Trusts - Distribution in Kind**

3 FOR the purpose of clarifying that the portion of an intestate share legacy, or
4 statutory share that is payable in cash may be satisfied by distribution of value
5 in kind if the person entitled to payment has not demanded payment in cash
6 under certain circumstances; clarifying that a person entitled to an intestate or
7 statutory share is not entitled to demand that the person's entire share be paid
8 in cash unless the entire estate is comprised of cash; providing for the
9 application of this Act; and generally relating to property distributed in kind.

10 BY repealing and reenacting, with amendments,
11 Article - Estates and Trusts
12 Section 9-104
13 Annotated Code of Maryland
14 (1991 Replacement Volume and 1998 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article - Estates and Trusts**

18 9-104.

19 (a) Subject to the terms of the will and the needs of administration, the assets
20 of the estate of a decedent shall be distributed in kind to the extent possible through
21 application of the provisions of this section.

22 (b) A specific legatee shall receive distribution of the legacy given to him.

23 (c) A family allowance[,] OR THAT PORTION OF AN intestate [succession]
24 SHARE, statutory share, or legacy THAT IS OTHERWISE payable in cash may be
25 satisfied by value in kind provided:

26 (1) The person entitled to the payment has not demanded payment in
27 cash;

1 (2) The property distributed in kind is valued at fair market value as of
2 the date of its distribution; and

3 (3) A residuary legatee has not requested that the asset in question
4 remain a part of the residue of the estate.

5 (d) (1) When there is no objection to the proposed distribution, or when it is
6 practicable to distribute undivided interests, the residuary estate shall be distributed
7 in kind.

8 (2) In other cases, residuary property may be converted into cash for
9 distribution.

10 (e) (1) After the probable charges against the estate are known, the
11 personal representative may mail or deliver a proposal for distribution to all persons
12 who have a right to object to the proposed distribution.

13 (2) If not waived in writing, the right of a distributee to object to the
14 proposed distribution terminates if [he] THE DISTRIBUTEE fails to object in writing
15 received by the personal representative within 30 days after mailing or delivery of the
16 proposal.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be
18 construed only prospectively and may not be applied or interpreted to have any effect
19 on or application to any distribution of an estate of a decedent that occurs before the
20 effective date of this Act.

21 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
22 October 1, 1999.