

1 AN ACT concerning trust and payable on death accounts.

2 Be it enacted by the People of the State of Illinois,
3 represented in the General Assembly:

4 Section 5. The Illinois Trust and Payable on Death
5 Accounts Act is amended by changing Sections 3 and 4 as
6 follows:

7 (205 ILCS 625/3) (from Ch. 17, par. 2133)

8 Sec. 3. Trust account incidents. If one or more persons
9 opening or holding an account sign an agreement with the
10 institution providing that the account shall be held in the
11 name of a person or persons designated as trustee or trustees
12 for one or more persons designated as a beneficiary or
13 beneficiaries, the account and any balance therein which
14 exists from time to time shall be held as a trust account and
15 unless otherwise agreed in writing between the person or
16 persons opening or holding the account and the institution:

17 (a) If two or more persons are designated trustees of
18 the account, as between them they shall hold the account and
19 all balances therein which exist from time to time as joint
20 tenants with right of survivorship and not as tenants in
21 common;

22 (b) Any trustee during his or her lifetime may change
23 any of the designated beneficiaries without the knowledge or
24 consent of the other trustees or the beneficiaries by a
25 written instrument accepted by the institution;

26 (c) Any trustee may make additional deposits to and
27 withdraw any part or all of the account at any time without
28 the knowledge or consent of the other trustees or the
29 beneficiaries, subject to the bylaws and regulations of the
30 institution, and all withdrawals shall constitute a
31 revocation of the agreement as to the amount withdrawn; and

1 (d) Upon the death of the last surviving trustee the
2 person designated as the beneficiary who is then living shall
3 be the sole holder of the account, unless more than one
4 beneficiary is named and then living in which case said
5 beneficiaries shall hold the account in equal shares as
6 tenants in common. If no beneficiary is then living, the
7 proceeds shall vest in the estate of the last surviving
8 trustee. For purposes of this Section, a beneficiary may
9 include a natural person, a charitable organization, a
10 corporation, a partnership, a joint venture, a trust, an
11 estate, or an unincorporated association, and if the
12 beneficiary is other than a natural person it shall be deemed
13 to be "living" at the time of the death of the last surviving
14 trustee if it exists under the applicable law at that time.

15 (Source: P.A. 84-461.)

16 (205 ILCS 625/4) (from Ch. 17, par. 2134)

17 Sec. 4. Payable on Death Account Incidents. If one or
18 more persons opening or holding an account sign an agreement
19 with the institution providing that on the death of the last
20 surviving person designated as holder the account shall be
21 paid to or held by another person or persons, the account,
22 and any balance therein which exists from time to time, shall
23 be held as a payment on death account and unless otherwise
24 agreed in writing between the person or persons opening or
25 holding the account and the institution:

26 (a) Any holder during his or her lifetime may change any
27 of the designated persons to own the account at the death of
28 the last surviving holder without the knowledge or consent of
29 any other holder or the designated persons by a written
30 instrument accepted by the institution;

31 (b) Any holder may make additional deposits to and
32 withdraw any part or all of the account at any time without
33 the knowledge or consent of any other holder or the

1 designated person or persons to own the account at the death
2 of the last surviving holder, subject to the bylaws and
3 regulations of the institution, and all withdrawals shall
4 constitute a revocation of the agreement as to the amount
5 withdrawn; and

6 (c) Upon the death of the last surviving holder of the
7 account, the person so designated to be the owner of the
8 account who is then living shall be the sole owner of the
9 account, unless more than one person is so designated and
10 then living in which case those persons shall hold the
11 account in equal shares as tenants in common with no right of
12 survivorship as between those persons. If no person
13 designated as the owner of the account on the death of the
14 last surviving holder is then living, the proceeds shall vest
15 in the estate of the last surviving holder of the account.
16 For purposes of this Section, a person designated to be the
17 owner of the account upon the death of the last surviving
18 holder of the account may include a natural person, a
19 charitable organization, a corporation, a partnership, a
20 joint venture, a trust, an estate, or an unincorporated
21 association, and if the person so designated is other than a
22 natural person it shall be deemed to be "living" at the time
23 of the death of the last surviving holder of the account if
24 it exists under the applicable law at that time.

25 (Source: P.A. 92-285, eff. 1-1-02.)

26 Section 99. Effective date. This Act takes effect upon
27 becoming law.