

BILL ANALYSIS

Senate Research Center
79R4653 MTB-D

H.B. 1501
By: Casteel (Wentworth)
Jurisprudence
4/23/2005
Engrossed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Tax-motivated gifts are of a nature that some persons want to make them annually, or on a periodic basis. As proposed, H.B. 1501 allows greater flexibility for a guardian to make tax-motivated gifts on behalf of a ward without the necessity of making multiple applications to the court.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 865, Texas Probate Code, by adding Subsection (f) to permit the court, in an order entered under Subsection (a), to authorize the guardian to make tax-motivated gifts as provided by Subsection (a) on an annual or other periodic basis without subsequent application to or order of the court if the court finds it to be in the best interest of the ward and the ward's estate. Authorizes the court, on the court's own motion or on the motion of a person interested in the welfare of the ward, to modify or set aside an order entered under this subsection if the court finds that the ward's financial condition has changed in such a manner that authorizing the guardian to make gifts of the estate on a continuing basis is no longer in the best interest of the ward and the ward's estate.

SECTION 2. Makes application of this Act prospective to an application for the establishment of an estate plan filed on or after the effective date of this Act.

SECTION 3. Effective date: September 1, 2005.