

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 27, 2015

TO: Honorable John T. Smithee, Chair, House Committee on Judiciary & Civil Jurisprudence

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB462 by Huffman (Relating to authorizing a revocable deed that transfers real property at the transferor's death.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would create a new chapter 114, Estates Code, to establish the Texas Real Property Transfer on Death Act. The bill would authorize a revocable "transfer on death deed" to be used by an individual to transfer his interest in real property to one or more beneficiaries effective at the time of his death. The deed would not be considered a testamentary instrument.

The bill includes provisions for: requirements for the elements, formalities and recording of the deed; revoking the deed; the effect of the deed and liability of transferred property for creditors' claims; transfers of property subject to liens and encumbrances; disclaimer of the property by the beneficiary; and liability for creditor claims and family allowances.

The bill also provides a suggested form for Transfer on Death Deed and instructions for completing the form.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 304
Comptroller of Public Accounts

LBB Staff: UP, FR, AG, SD, SJS, EK