

COMMITTEE BILL ANALYSIS

Bill: House Bill 1324

Printer's No.: 2470

Sponsor: Rep. Stevenson

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Synopsis: This bill amends the Probate, Estates and Fiduciaries Code, Title 20 of the Pennsylvania Consolidated Statutes, relating to small estates, increasing the limit for small estates from \$25,000 to \$50,000.

Summary:

Section 3102

This section governs the settlement of small estates upon petition. Currently the gross value of a small estate may not exceed \$25,000. This legislation increases the limit to \$50,000. In a case where the gross value does not exceed \$50,000, the orphans' court, upon petition of any party in interest, in its discretion, with or without appraisal, and with such notice as the court shall direct, and whether or not letters have been issued or a will probated, may direct distribution of the property to the parties.

Section 3531

This section relates to accountings for small estates. Currently the gross value of the estate may not exceed \$25,000. This legislation increases the limit to \$50,000. If the gross value of the estate does not exceed \$50,000, the personal representative, after the expiration of one year from the date of the first complete advertisement of the grant of letters, may present a petition to the court with an annexed account showing the administration of the estate, the distribution of the estate, and suggesting the proper distribution of any part of the estate not yet distributed. The court, upon satisfactory proof of notice to all known parties in interest, may approve the distribution made, order the distribution of the assets not already distributed, and discharge the personal representatives without a formal account.

Applicability

The amendment of sections 3102 and 3531 apply to the estates of decedents dying on or after the effective date.

Effective date

This act takes effect in 60 days.

Background: The House of Representatives passed House Bill 1324 on October 18, 2011 by a vote of 198 to 0.

The limit for small estates for both sections 3102 and 3531 have been increased through the years, most recently from \$10,000 to \$25,000 through 1994 Act 102.

Both sections 3102 and 3531 assist in the settlement of small estates without having to go through all of the steps associated with the formal administration of an estate. Section 3102 addresses the settlement of an estate through the filing of a petition and without the appointment of a personal representative. Section 3531 allows an estate to be settled without a formal accounting.