

## **Alaska Adopts Act Approving Transfer on Death Deeds**

By

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On July 21, 2014 Alaska will become the 24<sup>th</sup> state to recognize “Transfer on Death” deeds. This is exciting news as it will allow individuals to pass real property to family and friends upon death without requiring probate. Prior to enacting the Real Property Transfer on Death Act, there was no way to avoid probate when an individual owned real property at death, except when the property was owned by a trust or the property was jointly owned with a surviving spouse. Transfer on Death deeds, used in conjunction with beneficiary designations, affidavits of collection and other estate planning techniques, will allow many individuals to avoid probate.

A Transfer on Death deed allows you to designate who will receive (“inherit”) the property upon your death. In order to be recognized, the deed needs to be recorded prior to death in the recording district where the real property is located. The person who is listed as the beneficiary of the property upon your death has no rights to the property during your lifetime. Upon your death, the beneficiary will use the Transfer on Death deed and the death certificate to get title into the beneficiary’s name. You also have the ability to change who will receive the property by signing and recording a new deed or a revocation.

Transfer on Death deeds will expand the estate planning options available to individuals and in many cases help avoid probate. Transfer on Death deeds are not appropriate in all circumstances. The best estate plan for you will depend on various factors, such as your goals, family and type of assets. Contact us at (907)452-1855 to find out if using Transfer on Death deeds would benefit your estate planning.