



## 2005 SENATE BILL 625

February 22, 2006 – Introduced by Senators KANAVAS and RISSER, cosponsored by Representatives HUNDERTMARK, RICHARDS, J. FITZGERALD and CULLEN. Referred to Committee on Housing and Financial Institutions.

1     **AN ACT** *to repeal* 854.03 (7), 854.06 (1) (b), 854.13 (7) (b), 854.13 (11) (title),  
2           854.14 (1), 854.21 (1) (a) 1., 2. and 3., 861.04 (2), 861.21 (3), 861.31 (1c), 861.33  
3           (1) (c) and 861.35 (1c); **to renumber** 701.06 (6), 701.115 (1), 766.62 (4), 853.32  
4           (1), 854.13 (2) (a), 854.15 (5) (intro.) and 854.15 (5) (a), (b), (c), (d) and (e); **to**  
5           **renumber and amend** 701.26, 705.04 (2), 705.28 (3), 766.31 (3), 766.31 (6),  
6           852.01 (1) (a) 2., 853.03 (2), 853.11 (2), 853.18 (1), 853.25 (2), 853.32 (2) (b),  
7           854.01, 854.03 (5), 854.05 (5), 854.06 (4) (a), 854.06 (4) (b), 854.08 (5), 854.08 (6)  
8           (a) 1., 854.13 (10), 854.13 (11) (a), 854.13 (11) (b), 854.15 (1) (e), 854.15 (5) (f),  
9           854.20 (1), 854.20 (2) (intro.), 854.20 (2) (a), 854.20 (2) (b), 854.20 (3), 854.20 (4),  
10          854.21 (1) (a) (intro.), 857.03 (2) and 861.01 (3); **to consolidate, renumber**  
11          **and amend** 854.08 (6) (a) (intro.) and 2.; **to amend** 30.541 (3) (d) 2. d., 71.05  
12          (6) (a) 16., 71.05 (6) (b) 12., 71.05 (12) (d), 101.9211 (4) (b) 4., 342.17 (4) (b) 4.,  
13          700.11 (1), 700.13 (2), 701.06 (7), 701.06 (8), 701.115 (2), 701.115 (3), 701.20 (5)  
14          (c), 701.24 (title) and (1), 701.26 (title), 702.03 (1), 702.08, 705.06 (1) (c), 705.06

**SENATE BILL 625**

1 (2), 705.27, 766.61 (7), 766.62 (2), 766.62 (5) (intro.), 767.266 (1) (b), 851.21 (1)  
2 (b), 851.31, 851.50, 852.01 (1) (b), 852.05 (title), 852.05 (1) (intro.), 852.05 (2),  
3 852.05 (3), 852.12, 853.11 (3), 853.11 (6) (c), 853.11 (6) (d), 853.32 (2) (a), 854.03  
4 (2) (b), 854.04 (1) (a), 854.04 (3) (a), 854.04 (4), 854.04 (5) (intro.), 854.04 (5) (b),  
5 854.04 (6), 854.07 (3), 854.07 (4), 854.09 (3), 854.11 (4), 854.13 (title), 854.13 (2)  
6 (h), 854.13 (4) (c), 854.13 (7) (title), 854.13 (7) (a), 854.13 (8), 854.13 (9), 854.13  
7 (12) (b), 854.14 (5) (a), 854.14 (5) (b), 854.14 (5) (c), 854.17, 854.18 (1) (a) (intro.),  
8 854.18 (3), 854.20 (5), 854.21 (1) (b), 854.21 (7), 854.22 (4), 854.23 (1), 856.05 (5),  
9 856.15 (1), 856.17, 859.01, subchapter II (title) of chapter 861 [precedes  
10 861.018], 861.02 (title), 861.02 (2) (b) (intro.), 861.02 (4), 861.02 (6), 861.02 (7)  
11 (b), 861.05 (1) (c), 861.05 (2) (title), 861.06 (title), 861.06 (2) (title), 861.06 (2) (b)  
12 (intro.), 861.06 (2) (b) 4. a., 861.07 (2) (intro.), 861.10 (1), 861.10 (2), 861.11 (2)  
13 (a) (intro.), 861.11 (2) (b), 861.11 (5) (b), 861.17 (3), 861.20 (2), 861.21 (1) (a),  
14 861.21 (2), 861.21 (4), 861.21 (5), 861.31 (1m), 861.31 (2), 861.31 (4) (intro.),  
15 861.31 (4) (a), 861.33 (title), 861.33 (1) (a) (intro.), 861.33 (1) (b), 861.33 (2),  
16 861.33 (3), 861.33 (4), 861.35 (title), 861.35 (1m) (intro.), 861.35 (1m) (a), 861.35  
17 (1m) (b), 861.35 (1m) (c), 861.35 (2), 861.35 (3) (a), 861.35 (4) (intro.), 861.35 (4)  
18 (a), 863.08, 863.15, 865.07 (1) (d), 867.01 (3) (am) 2., 867.02 (2) (am) 3., 867.03  
19 (1g) (intro.), 867.03 (1g) (b), 867.03 (1m) (a), 867.03 (1m) (b), 867.03 (2), 867.035  
20 (1) (a) 4., 867.045 (1) (intro.), 867.045 (2), 867.045 (4), 867.046 (1m), 867.046 (2)  
21 (intro.) and 879.09; **to repeal and recreate** 701.19 (10), 853.04 (3), 854.08 (5)  
22 (title), 854.13 (10) (title), 856.16 and 861.02 (8); **to create** 700.27, 701.06 (6) (b),  
23 (c) and (d), 701.115 (1) (a), 701.24 (3), 701.26 (1) (d), 701.26 (2), 705.04 (2) (a),  
24 705.04 (2) (d), 705.04 (2) (e), 705.04 (2) (f) and (g), 705.20 (4), 705.28 (2m), 766.31  
25 (1) (title), 766.31 (2) (title), 766.31 (3) (b), 766.31 (4) (title), 766.31 (5) (title),

**SENATE BILL 625**

1           766.31 (6) (title), 766.31 (6) (b), 766.31 (7) (title), 766.31 (7p) (title), 766.31 (8)  
2           (title), 766.31 (9) (title), 766.31 (10) (title), 766.62 (4) (b), 766.62 (4) (c), 851.055  
3           (1m), 852.01 (1) (a) 2. b., 853.03 (2) (bm), 853.11 (2m), 853.18 (1) (a), (b) and (c),  
4           853.25 (2) (a) 1. and 2., 853.32 (1) (bm), 853.32 (2) (am), 854.01 (1), 854.03 (5)  
5           (am) 7., 854.03 (5) (am) 8., 854.03 (5) (bm), 854.06 (4) (a) 1., 854.08 (5) (a), 854.08  
6           (5) (d), 854.12, 854.13 (2) (a) 1., 854.13 (2) (gm), 854.13 (2) (i), 854.13 (7) (bm)  
7           and (c), 854.13 (10) (b), 854.14 (3m), 854.20 (2) (am) 2. b. and c., 857.03 (2m),  
8           859.02 (2m), 861.01 (3m), 861.01 (4), 861.01 (5), 861.04 (2m), 861.05 (1) (e),  
9           861.05 (2m), 861.06 (6), 867.03 (2g), 867.046 (2) (k), 880.61 (11m) and 880.675  
10          (1m) of the statutes; and ***to affect*** 1997 Wisconsin Act 188, section 233 (1);  
11          **relating to:** miscellaneous remedial modifications to the Wisconsin Probate  
12          Code.

---

***Analysis by the Legislative Reference Bureau***

This bill makes remedial modifications to current law and primarily corrects technical errors and clarifies various provisions in 1997 Wisconsin Act 188, which modernized the Wisconsin Probate Code. This bill continues the process of extending various interpretative rules from probate to nonprobate assets and of allowing extrinsic evidence to be used when interpreting the intent of the transferor, especially with respect to rules of construction. This bill also creates additional protections for a decedent spouse who is murdered by the surviving spouse.

---

***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

13           **SECTION 1.** 30.541 (3) (d) 2. d. of the statutes is amended to read:  
14           30.541 (3) (d) 2. d. The limit in subd. 2. c. does not apply if the surviving spouse  
15           proceeds under s. 867.03 (1g) and the total value of the decedent's solely-owned  
16           property subject to administration in the state, including boats transferred under  
17           this subdivision, does not exceed ~~\$20,000~~ \$50,000.

**SENATE BILL 625**

1           **SECTION 2.** 71.05 (6) (a) 16. of the statutes is amended to read:

2           71.05 **(6)** (a) 16. Any amount recognized as a loss under section 1001 (c) of the  
3 ~~internal revenue code~~ Internal Revenue Code if a surviving spouse and a distributee  
4 exchange their interests in marital property under s. ~~857.03 (2)~~ 766.31 (3) (b).

5           **SECTION 3.** 71.05 (6) (b) 12. of the statutes is amended to read:

6           71.05 **(6)** (b) 12. Any amount recognized as a gain under section 1001 (c) of the  
7 ~~internal revenue code~~ Internal Revenue Code if a surviving spouse and a distributee  
8 exchange their interests in marital property under s. ~~857.03 (2)~~ 766.31 (3) (b).

9           **SECTION 4.** 71.05 (12) (d) of the statutes is amended to read:

10           71.05 **(12)** (d) Property exchanged under s. ~~857.03 (2)~~ 766.31 (3) (b) shall be  
11 treated as if acquired by gift for the determination of basis.

12           **SECTION 5.** 101.9211 (4) (b) 4. of the statutes is amended to read:

13           101.9211 **(4)** (b) 4. The limit in subd. 3. does not apply if the surviving spouse  
14 is proceeding under s. 867.03 (1g) and the total value of the decedent's ~~solely owned~~  
15 property subject to administration in the state, including the manufactured homes  
16 transferred under this paragraph, does not exceed ~~\$10,000~~ \$50,000.

17           **SECTION 6.** 342.17 (4) (b) 4. of the statutes is amended to read:

18           342.17 **(4)** (b) 4. The limit in subd. 3. does not apply if the surviving spouse is  
19 proceeding under s. 867.03 (1g) and the total value of the decedent's ~~solely owned~~  
20 property subject to administration in the state, including the vehicles transferred  
21 under this paragraph, does not exceed ~~\$20,000~~ \$50,000.

22           **SECTION 7.** 700.11 (1) of the statutes is amended to read:

23           700.11 **(1)** If a statute, inter vivos governing instrument, as defined in s. 700.27  
24 (1) (c), or governing instrument, as defined in s. 854.01 (2), specifies that property  
25 is to be distributed to, or a future interest is to be created in, a designated individual's

**SENATE BILL 625**

1 “heirs”, “heirs at law”, “next of kin”, “relatives” or “family,” or a term that has  
2 a similar meaning, or if a class gift in favor of “descendants”, “issue,” or “heirs of the  
3 body” does not specify the manner in which the property is to be distributed among  
4 the class members, the property is distributed according to s. 854.22.

5 **SECTION 8.** 700.13 (2) of the statutes is amended to read:

6 700.13 (2) ~~Unless the instrument of transfer manifests a contrary intent, The~~  
7 effect of a renunciation or release of an interest for life or years accelerates  
8 succeeding interests is as provided in ss. 700.27 (8) and 854.13 (10).

9 **SECTION 9.** 700.27 of the statutes is created to read:

10 **700.27 Disclaimer of transfers during life. (1) DEFINITIONS.** In this section:

11 (a) “Beneficiary under an inter vivos governing instrument” includes any  
12 person who receives or might receive property under the terms or legal effect of an  
13 inter vivos governing instrument.

14 (b) “Extrinsic evidence” has the meaning given in s. 854.01 (1).

15 (c) “Inter vivos governing instrument”:

16 1. Means a gratuitous deed, inter vivos trust instrument, insurance policy,  
17 contract, inter vivos instrument that creates or exercises a power of appointment, or  
18 any other dispositive, appointive, or nominative instrument that transfers property  
19 other than a governing instrument as defined in s. 854.01 (2).

20 2. Includes an inter vivos gift that is not subject to a written instrument.

21 (d) “Power” has the meaning given in s. 702.01 (4).

22 **(2) RIGHT TO DISCLAIM.** (a) *In general.* 1. In this paragraph, “person” includes  
23 a person who is unborn or whose identity is unascertained.

24 2. A person who is a recipient of property or beneficiary under an inter vivos  
25 governing instrument, donee of a power created by an inter vivos governing

**SENATE BILL 625**

1 instrument, appointee under a power exercised by an inter vivos governing  
2 instrument, taker in default under a power created by an inter vivos governing  
3 instrument, or person succeeding to disclaimed property created by an inter vivos  
4 governing instrument may disclaim any property, including contingent or future  
5 interests or the right to receive discretionary distributions, by delivering a written  
6 instrument of disclaimer under this section.

7 (b) *Partial disclaimer.* Property transferred under an inter vivos governing  
8 instrument may be disclaimed in whole or in part, except that a partial disclaimer  
9 of property passing by an inter vivos governing instrument or by the exercise of a  
10 power may not be made if partial disclaimer is expressly prohibited by the inter vivos  
11 governing instrument or by the instrument exercising the power.

12 (c) *Spendthrift provision.* The right to disclaim exists notwithstanding any  
13 limitation on the interest of the disclaimant in the nature of a spendthrift provision  
14 or similar restriction.

15 (d) *Disclaimer by a guardian or conservator.* A guardian of the estate or a  
16 conservator appointed under ch. 880 may disclaim on behalf of his or her ward, with  
17 court approval, if the ward is entitled to disclaim under this section.

18 (e) *Disclaimer by an agent under power of attorney.* An agent under a power  
19 of attorney may disclaim on behalf of the person who granted the power of attorney  
20 if all of the following apply:

21 1. The person who granted the power of attorney is entitled to disclaim under  
22 this section.

23 2. The power of attorney specifically grants the power to disclaim.

24 (f) *Disclaimer by trustee.* The trustee of a trust named as a recipient of property  
25 under an inter vivos governing instrument may disclaim that property on behalf of

**SENATE BILL 625**

1 the trust if the trust authorizes disclaimer by the trustee. If the trust does not  
2 authorize disclaimer by the trustee, the trustee's power to disclaim is subject to the  
3 approval of the court.

4 (g) *After death.* A person's right to disclaim survives the person's death and  
5 may be exercised by the person's personal representative or special administrator  
6 upon receiving approval from the court having jurisdiction of the person's estate after  
7 hearing upon notice to all persons interested in the disclaimed property, if the  
8 personal representative or special administrator has not taken any action that would  
9 bar the right to disclaim under sub. (9).

10 (h) *Disclaimers of transfers at death.* A person who is a recipient of property  
11 under a governing instrument, as defined in s. 854.01 (2), may disclaim the property  
12 as provided in s. 854.13.

13 (3) INSTRUMENT OF DISCLAIMER. The instrument of disclaimer must meet the  
14 provisions of subs. (4) and (5) and s. 854.13 (3) (a) to (c).

15 (4) TIME FOR EFFECTIVE DISCLAIMER. (a) *Present interest.* An instrument  
16 disclaiming a present interest shall be executed and delivered not later than 9  
17 months after the effective date of the transfer under the inter vivos governing  
18 instrument. For cause shown, the period may be extended by a court of competent  
19 jurisdiction, either within or after the 9-month period, for such additional time as  
20 the court considers just.

21 (b) *Future interest.* An instrument disclaiming a future interest shall be  
22 executed and delivered not later than 9 months after the event that determines that  
23 the taker of the property is finally ascertained and his or her interest indefeasibly  
24 fixed. For cause shown, the period may be extended by a court of competent

**SENATE BILL 625**

1 jurisdiction, either within or after the 9-month period, for such additional time as  
2 the court considers just.

3 (c) *Future right to income or principal.* Notwithstanding pars. (a) and (b), an  
4 instrument disclaiming the future right to receive discretionary or mandatory  
5 distributions of income or principal from any source may be executed and delivered  
6 at any time.

7 (d) *Persons under 21.* Notwithstanding pars. (a) and (b), a person under 21  
8 years of age may disclaim at any time not later than 9 months after the date on which  
9 the person attains 21 years of age.

10 (e) *Interests arising by disclaimer.* Notwithstanding pars. (a) and (b), a person  
11 whose interest in property arises by disclaimer or by default of exercise of a power  
12 created by an inter vivos governing instrument may disclaim at any time not later  
13 than 9 months after the day on which the prior instrument of disclaimer is delivered,  
14 or the date on which the donee's power lapses.

15 **(5) DELIVERY AND FILING OF DISCLAIMER.** (a) *Delivery.* In addition to any  
16 requirements imposed by the inter vivos governing instrument, the instrument of  
17 disclaimer is effective only if, within the time specified under sub. (4), it is delivered  
18 to and received by any of the following:

- 19 1. The transferor of the property disclaimed.
- 20 2. The transferor's legal representative.
- 21 3. The holder of legal title to the property.

22 (b) *Delivery to trustee.* If the trustee of any trust to which the interest or power  
23 relates does not receive the instrument of disclaimer under par. (a), a copy shall also  
24 be delivered to the trustee. Failure to deliver a copy of the instrument of disclaimer



**SENATE BILL 625**

1 to the trustee within the time specified under sub. (4) does not affect the validity of  
2 any disclaimer.

3 (c) *Recording*. If real property or an interest in real property is disclaimed, a  
4 copy of the instrument of disclaimer may be recorded in the office of the register of  
5 deeds of the county in which the real estate is situated.

6 **(6) PROPERTY NOT VESTED.** The property disclaimed under this section shall be  
7 considered not to have been vested in, created in, or transferred to the disclaimant.

8 **(7) DEVOLUTION.** (a) *In general*. Subject to sub. (8), unless the inter vivos  
9 governing instrument provides otherwise, either expressly or as construed from  
10 extrinsic evidence, the disclaimed property devolves as if the disclaimant had died  
11 before the effective date of the transfer under the inter vivos governing instrument.  
12 If the disclaimed interest is a remainder contingent on surviving to the time of  
13 distribution, the disclaimed interest passes as if the disclaimant had died  
14 immediately before the time for distribution. If the disclaimant is an appointee  
15 under a power exercised by an inter vivos governing instrument, the disclaimed  
16 property devolves as if the disclaimant had died before the effective date of the  
17 exercise of the power. If the disclaimant is a taker in default under a power created  
18 by an inter vivos governing instrument, the disclaimed property devolves as if the  
19 disclaimant had predeceased the donee of the power.

20 (b) *Devolution to issue of the disclaimants*. Unless the inter vivos governing  
21 instrument provides otherwise, either expressly or as construed from extrinsic  
22 evidence, if, by law or under the inter vivos governing instrument, the issue of the  
23 disclaimant would share in the disclaimed interest by any method of representation  
24 had the disclaimant died before the time the disclaimed interest would have taken  
25 effect in possession or enjoyment, the disclaimed interest passes only to the issue of

**SENATE BILL 625**

1 the disclaimant who survive when the disclaimed interest takes effect in possession  
2 or enjoyment.

3 (c) *Disclaimer of a devisable future interest.* 1. In this paragraph, “devisable  
4 future interest” is a future interest that can be passed under the will of the person  
5 who holds the future interest.

6 2. If the disclaimed interest is a devisable future interest under the law  
7 governing the transfer, then the disclaimed interest devolves as if it were a  
8 nondevisable future interest.

9 **(8) ACCELERATION OF SUBSEQUENT INTERESTS WHEN PRECEDING INTEREST IS**  
10 **DISCLAIMED.** (a) *Subsequent interest not held by disclaimant.* Unless the inter vivos  
11 governing instrument provides otherwise, either expressly or as construed from  
12 extrinsic evidence, upon the disclaimer of a preceding interest, a subsequent interest  
13 not held by the disclaimant and limited to take effect in possession or enjoyment after  
14 the termination of the interest that is disclaimed accelerates to take effect as if the  
15 disclaimant had died immediately before the time when the disclaimed interest  
16 would have taken effect in possession or enjoyment or, if the disclaimant is an  
17 appointee under a power exercised by a power of appointment, as if the disclaimant  
18 had died before the effective date of the exercise of the power.

19 (b) *Subsequent interest held by disclaimant.* Unless the inter vivos governing  
20 instrument provides otherwise, either expressly or as construed from extrinsic  
21 evidence, upon the disclaimer of a preceding interest, a subsequent interest held by  
22 the disclaimant does not accelerate.

23 **(9) BAR.** Actions that bar disclaimer are as provided in s. 854.13 (11g).

24 **(10) EFFECT OF DISCLAIMER OR WAIVER.** The effect of the disclaimer on the  
25 disclaimant and any successors in interest is as provided in s. 854.13 (11p).

**SENATE BILL 625**

1           **(11) NONEXCLUSIVENESS OF REMEDY.** (a) This section does not affect the right of  
2 a person to waive, release, disclaim, or renounce property under any other statute  
3 or the common law, or as provided in the creating instrument.

4           (b) Any disclaimer that meets the requirements of section 2518 of the Internal  
5 Revenue Code, or the requirements of any other federal law relating to disclaimers,  
6 constitutes an effective disclaimer under this section or s. 854.13.

7           **(12) CONSTRUCTION OF EFFECTIVE DATE.** In this section, the effective date of a  
8 transfer under an inter vivos governing instrument is the date on which the transfer  
9 is a completed gift for federal gift tax purposes.

10           **SECTION 10.** 701.06 (6) of the statutes is renumbered 701.06 (6) (a).

11           **SECTION 11.** 701.06 (6) (b), (c) and (d) of the statutes are created to read:

12           701.06 **(6)** (b) A beneficiary of a trust may not be considered a settlor solely  
13 because of a lapse, waiver, or release of any of the following:

14           1. A power described under par. (c).

15           2. The beneficiary's right to withdraw part of the trust property, to the extent  
16 that the value of the property affected by the lapse, waiver, or release in any year does  
17 not exceed the greater of the amount in:

18           a. Section 2041 (b) (2) or 2514 (e), Internal Revenue Code of 1986.

19           b. Section 2503 (b), Internal Revenue Code of 1986.

20           (c) A beneficiary of a trust is not a settlor, has not made a voluntary or  
21 involuntary transfer of the beneficiary's interest in the trust, or does not have the  
22 power to make a voluntary or involuntary transfer of the beneficiary's interest in the  
23 trust solely because the beneficiary holds or exercises, in any capacity, any of the  
24 following:

**SENATE BILL 625****SECTION 11**

1           1. A presently exercisable power to consume, invade, appropriate, or distribute  
2 property to or for the benefit of the beneficiary if the power is any of the following:

3           a. Exercisable only on consent of another person holding an interest adverse  
4 to the beneficiary's interest.

5           b. Limited by an ascertainable standard, such as health, education, support,  
6 or maintenance of the beneficiary.

7           2. A presently exercisable power to appoint any property of the trust to or for  
8 the benefit of a person other than the beneficiary, a creditor of the beneficiary, the  
9 beneficiary's estate, or a creditor of the beneficiary's estate.

10          3. A testamentary power of appointment.

11          4. A presently exercisable right described in par. (b) 2.

12          (d) A beneficiary of a trust is not a settlor solely because the beneficiary is  
13 entitled to nondiscretionary distributions from the trust.

14          **SECTION 12.** 701.06 (7) of the statutes is amended to read:

15          701.06 (7) SUBSEQUENT MODIFICATION OF COURT'S ORDER. Any order entered by  
16 a court under sub. (4), (5) or (6) (a) is subject to modification upon application of an  
17 interested person.

18          **SECTION 13.** 701.06 (8) of the statutes is amended to read:

19          701.06 (8) EXEMPT ASSETS. Assets of a trust, to the extent they are exempt from  
20 claims of creditors under other statutes, shall not be subject to sub. (4), (5), or (6) (a).

21          **SECTION 14.** 701.115 (1) of the statutes is renumbered 701.115 (1) (b).

22          **SECTION 15.** 701.115 (1) (a) of the statutes is created to read:

23          701.115 (1) (a) In par. (b), "revocable trust" means a trust that the grantor, at  
24 the time of death, was alone empowered to change or revoke, by law or under the

**SENATE BILL 625**

1 instrument creating the trust, regardless of whether the grantor then had the  
2 capacity to exercise the power.

3 **SECTION 16.** 701.115 (2) of the statutes is amended to read:

4 701.115 (2) Survivorship under sub. (1) (b) is governed by s. 854.03.

5 **SECTION 17.** 701.115 (3) of the statutes is amended to read:

6 701.115 (3) The rights of the issue of a predeceasing beneficiary under sub. (1)  
7 (b) are governed by s. 854.06.

8 **SECTION 18.** 701.19 (10) of the statutes is repealed and recreated to read:

9 701.19 (10) RESTRICTION ON EXERCISE OF POWERS. (a) Except as provided in par.  
10 (c), a person may not exercise any of the following powers conferred upon him or her  
11 in his or her capacity as trustee:

12 1. The power to make discretionary distributions of trust principal or income  
13 if the distributions are to himself or herself or for the discharge of his or her legal  
14 obligations.

15 2. The power to make discretionary allocations of receipts or expenses as  
16 between principal and income if the allocations are in his or her favor.

17 (b) If a power under par. (a) is conferred upon more than one person as trustee,  
18 a person who is not disqualified to act under par. (a) may exercise the power for the  
19 benefit of the person who is disqualified to act, unless the creating instrument  
20 expressly provides otherwise. A special trustee appointed by a court may exercise  
21 a power under par. (a) for the benefit of the disqualified person if no other trustee is  
22 qualified to exercise the power.

23 (c) Paragraph (a) does not apply if any of the following applies:

24 1. The person is also the settlor of the trust, and the trust may be revoked or  
25 amended by the settlor.

**SENATE BILL 625****SECTION 18**

1           2. The terms of the creating instrument specifically limit the scope of the power  
2 to expenditures and distributions of income or principal on the basis of an  
3 ascertainable standard relating to the person's health, maintenance, support, or  
4 education such that the person would not be subject to tax under section 2041 or 2514  
5 of the Internal Revenue Code as a result of having or exercising the power.

6           3. The person is the spouse, widow, or widower of the settlor of the trust, and  
7 a marital deduction has been allowed for federal gift or estate tax purposes with  
8 respect to the trust property that is subject to the power.

9           4. The creating instrument negates the application of par. (a) with respect to  
10 the power or indicates that provisions that are similar to par. (a) do not apply.

11           (d) Section 701.24 (3) governs the applicability of this statute.

12           **SECTION 19.** 701.20 (5) (c) of the statutes, as affected by 2005 Wisconsin Act 10,  
13 is amended to read:

14           701.20 (5) (c) A fiduciary shall distribute to a beneficiary, including a trustee,  
15 who receives a pecuniary amount not determined by a pecuniary formula interest at  
16 the legal rate set forth in s. 138.04 on any unpaid portion of the pecuniary amount  
17 for the period commencing one year after the decedent's death or after the income  
18 interest in the trust ends. The interest under this paragraph shall be distributed  
19 from net income determined under par. (b) or from principal to the extent that net  
20 income is insufficient. For purposes of this paragraph, the deferred marital property  
21 elective share amount elected by a surviving spouse under s. 861.02 (1) is a bequest  
22 of a specific amount of money not determined by a pecuniary formula.

23           **SECTION 20.** 701.24 (title) and (1) of the statutes, as affected by 2005 Wisconsin  
24 Act 10, are amended to read:

**SENATE BILL 625**

1           **701.24** (title) **Applicability of ss. 701.01 to 701.23.** (1) Except as otherwise  
2 provided in sub. (3) and s. 701.19 (9) (a) ~~and (10)~~, ss. 701.01 to 701.19, 701.21, 701.22,  
3 and 701.23 are applicable to a trust existing on July 1, 1971, as well as a trust created  
4 after such date, and shall govern trustees acting under such trusts. If application  
5 of any provision of ss. 701.01 to 701.19, 701.21, 701.22 , and 701.23 to a trust in  
6 existence on August 1, 1971, is unconstitutional, it shall not affect application of the  
7 provision to a trust created after that date.

8           **SECTION 21.** 701.24 (3) of the statutes is created to read:

9           701.24 (3) Sections 701.06 (6) (b), (c), and (d) and 701.19 (10) are applicable to  
10 a trust existing on the effective date of this subsection .... [revisor inserts date], as  
11 well as a trust created after that date, and shall govern trustees acting under such  
12 trusts. If application of any provision of s. 701.06 (6) (b), (c), or (d) or 701.19 (10) to  
13 a trust in existence on the effective date of this subsection .... [revisor inserts date],  
14 is unconstitutional, it shall not affect application of the provision to a trust created  
15 after that date.

16           **SECTION 22.** 701.26 (title) of the statutes is amended to read:

17           **701.26** (title) **Disclaimers of nonprobate transfers at death.**

18           **SECTION 23.** 701.26 of the statutes is renumbered 701.26 (1) and amended to  
19 read:

20           701.26 (1) A ~~person~~ recipient may disclaim, under s. 854.13, any of the  
21 following:

22           (a) ~~An~~ All or part of an interest in a joint tenancy, upon the death of another  
23 joint tenant.

24           (b) ~~An~~ All or part of an interest in survivorship marital property, upon the death  
25 of the other spouse.

**SENATE BILL 625**

1 (c) ~~An~~ All or part of an interest that is created by a nontestamentary instrument  
2 and transferred at death, upon the death that causes the transfer.

3 **SECTION 24.** 701.26 (1) (d) of the statutes is created to read:

4 701.26 (1) (d) All or part of any other interest transferred under a governing  
5 instrument, as defined in s. 854.01 (2).

6 **SECTION 25.** 701.26 (2) of the statutes is created to read:

7 701.26 (2) A recipient may disclaim, under s. 700.27, all or part of any interest  
8 transferred under an inter vivos governing instrument, as defined in s. 700.27 (1) (c).

9 **SECTION 26.** 702.03 (1) of the statutes is amended to read:

10 702.03 (1) Unless the person who executed it had a contrary intention is found,  
11 if a governing instrument, as defined in s. 854.01, ~~creating (2), or an inter vivos~~  
12 governing instrument, as defined in s. 700.27 (1) (c), creates a power of appointment  
13 that expressly requires that the power be exercised by any type of reference to the  
14 power or its source, ~~it is presumed that~~ the donor's intention in requiring the  
15 reference was is presumed to be to prevent an inadvertent exercise of the power.  
16 Extrinsic evidence, as defined in s. 854.01 (1), may be used to show contrary construe  
17 the intent.

18 **SECTION 27.** 702.08 of the statutes is amended to read:

19 **702.08 Disclaimer of powers.** The donee of any power may disclaim all or  
20 part of the power as provided under s. 700.27 or 854.13.

21 **SECTION 28.** 705.04 (2) of the statutes is renumbered 705.04 (2) (intro.) and  
22 amended to read:

23 705.04 (2) (intro.) If the account is a P.O.D. account, on the death of the original  
24 payee or the survivor of 2 or more original payees, ~~any sums remaining on deposit~~  
25 ~~belong to the P.O.D. beneficiaries if surviving, or to the survivor of them if one or more~~



**SENATE BILL 625**

1 die before the original payee. Payment may be made to a minor P.O.D. beneficiary,  
2 however, only in accordance with a procedure approved in ch. 880. all of the following  
3 apply:

4 (b) If there are 2 or more P.O.D. beneficiaries and they all survive, they shall  
5 be are entitled to payment of the sums on deposit in accordance with such any written  
6 instructions as may have been that the owner filed with the financial institution, and  
7 or, if none the owner left no written instructions, to payment in equal shares. There

8 (c) If 2 or more persons succeed to ownership of the account, there is no further  
9 right of survivorship in the event of the death of one of 2 or more P.O.D. beneficiaries  
10 after their entitlement to payment has matured unless the terms of the account  
11 expressly provide for survivorship or for the account's continuance as a joint account.

12 **SECTION 29.** 705.04 (2) (a) of the statutes is created to read:

13 705.04 (2) (a) If there is one P.O.D. beneficiary and he or she survives, he or she  
14 is entitled to payment of all sums remaining on deposit.

15 **SECTION 30.** 705.04 (2) (d) of the statutes is created to read:

16 705.04 (2) (d) Subject to the rights of financial institutions under s. 705.06 (1)  
17 (c), if any P.O.D. beneficiary predeceases the original payee or the survivor of 2 or  
18 more original payees, the amount to which the predeceased P.O.D. beneficiary would  
19 have been entitled passes to any of his or her issue who would take under s. 854.06  
20 (3).

21 **SECTION 31.** 705.04 (2) (e) of the statutes is created to read:

22 705.04 (2) (e) If no P.O.D. beneficiary or predeceased P.O.D. beneficiary's issue  
23 who would take under s. 854.06 (3) survives the death of all owners, the account  
24 belongs to the estate of the deceased sole owner or the estate of the last to die of  
25 multiple owners.

**SENATE BILL 625****SECTION 32**

1           **SECTION 32.** 705.04 (2) (f) and (g) of the statutes are created to read:

2           705.04 (2) (f) Payment may be made to a minor P.O.D. beneficiary only in  
3 accordance with a procedure approved under ch. 880.

4           (g) If the P.O.D. account is a marital account, this section applies only to the  
5 50 percent of the account not owned by the surviving spouse named as a party on the  
6 account.

7           **SECTION 33.** 705.06 (1) (c) of the statutes is amended to read:

8           705.06 (1) (c) Any sums in a P.O.D. account may be paid, on request, to the  
9 P.O.D. beneficiary upon presentation to the financial institution of proof of death  
10 showing that the P.O.D. beneficiary survived all persons named as original payees  
11 of the account. If more than one P.O.D. beneficiary is named and at least one of them  
12 is predeceased, sums in the account may be paid to the surviving P.O.D. beneficiary  
13 or beneficiaries upon presentation of proof of death of the other beneficiary, without  
14 regard to claims by the issue of a predeceased beneficiary under s. 705.04 (2) (d). If  
15 none of the named beneficiaries survive, the sums in the account may be paid to the  
16 estate of the deceased sole owner or the estate of the owner who was the last to die  
17 of multiple owners, without regard to claims by the issue of a predeceased beneficiary  
18 under s. 705.04 (2) (d). If the P.O.D. account is a marital account, this paragraph  
19 applies only to the 50 percent of the account not owned by the surviving spouse  
20 named as a party on the account.

21           **SECTION 34.** 705.06 (2) of the statutes is amended to read:

22           705.06 (2) Payment made under this subchapter discharges the financial  
23 institution from all claims for amounts so withdrawn. If the institution has reason  
24 to believe that a dispute exists as to the rights of the parties to an account or their  
25 successors it may, but shall not be required to, refuse to pay funds in the account to

**SENATE BILL 625**

1 any persons pending instructions from a court, or it may pay the proceeds to a court.

2 An institution may but need not recognize the authority of an agent, other than one  
3 with continuing authority under s. 705.05 (3), until it knows of the fact of death or  
4 adjudication of incompetence of all parties appointing such agent and has reasonable  
5 opportunity to act.

6 **(3)** The protection provided by this section shall have no bearing on the rights  
7 of parties or their successors in disputes concerning the beneficial ownership of funds  
8 in or withdrawn from an account.

9 **SECTION 35.** 705.20 (4) of the statutes is created to read:

10 705.20 (4) A transfer under this section does not require confirmation in any  
11 procedure under s. 867.01, 867.02, or 867.03 or ch. 856 or 865. A transfer under this  
12 section may be confirmed under s. 867.046 (1m) or (2).

13 **SECTION 36.** 705.27 of the statutes is amended to read:

14 **705.27 Ownership on death of owner.** ~~On~~ Subject to the rights of the  
15 registering entity under s. 705.28 (2m), on the death of a sole owner or the last to die  
16 of multiple owners, ownership of securities registered in beneficiary form passes to  
17 the beneficiary or beneficiaries who survive all owners and to any predeceased  
18 beneficiary's issue who would take under s. 854.06 (3). On proof of death of all owners  
19 and compliance with any applicable requirements of the registering entity, a security  
20 registered in beneficiary form may be reregistered in the name of the ~~beneficiary or~~  
21 ~~beneficiaries who survive the death of all owners~~ successors to the ownership  
22 interest. Until division of the security after the death of all owners, multiple  
23 ~~beneficiaries surviving the death of all owners~~ successors to the ownership interest  
24 hold their interests as tenants in common. If no beneficiary or predeceased  
25 beneficiary's issue who would take under s. 854.06 (3) survives the death of all

**SENATE BILL 625****SECTION 36**

1 owners, the security belongs to the estate of the deceased sole owner or the estate of  
2 the last to die of multiple owners.

3 **SECTION 37.** 705.28 (2m) of the statutes is created to read:

4 705.28 **(2m)** If more than one beneficiary is named and at least one beneficiary  
5 is predeceased, a security registered in beneficiary form may be reregistered in the  
6 name of the surviving beneficiary with a proof of death of the other beneficiary,  
7 without regard to claims by the issue of a predeceased beneficiary under s. 705.27  
8 unless the registering entity receives written notice of a claim under sub. (3) (b). If  
9 none of the beneficiaries survive, a security registered in beneficiary form may be  
10 reregistered in the name of the estate of the deceased sole owner or the estate of the  
11 owner who was last to die of multiple owners, without regard to claims by the issue  
12 of a predeceased beneficiary under s. 705.27 unless the registering entity receives  
13 written notice of a claim under sub. (3) (b).

14 **SECTION 38.** 705.28 (3) of the statutes is renumbered 705.28 (3) (a) and  
15 amended to read:

16 705.28 **(3)** (a) ~~A Subject to par. (b), a~~ registering entity is discharged from all  
17 claims to a security by the estate, creditors, heirs or devisees of the deceased owner  
18 if it registers a transfer of a security in accordance with s. 705.27 and does so in good  
19 faith reliance on the registration, on ss. 705.21 to 705.30, and on information  
20 provided to it by affidavit of the personal representative of the deceased owner, or by  
21 the surviving beneficiary or by the surviving beneficiary's representatives, or other  
22 information available to the registering entity.

23 (b) The protections of ~~ss. 705.21 to 705.30 provided in this subchapter~~ do not  
24 extend to a reregistration or payment made after a registering entity has received  
25 written notice from a claimant to an interest in the security objecting to

**SENATE BILL 625**

1 implementation of a registration in beneficiary form. No other notice or other  
2 information available to the registering entity affects its right to protection under ss.  
3 705.21 to 705.30 this subchapter. If the registering entity has reason to believe that  
4 a dispute exists as to the rights of the parties to a security registered in beneficiary  
5 form or their successors, the registering entity may refuse to reregister the security  
6 pending instructions from a court.

7 **SECTION 39.** 766.31 (1) (title) of the statutes is created to read:

8 766.31 (1) (title) GENERAL.

9 **SECTION 40.** 766.31 (2) (title) of the statutes is created to read:

10 766.31 (2) (title) PRESUMPTION.

11 **SECTION 41.** 766.31 (3) of the statutes is renumbered 766.31 (3) (intro.) and  
12 amended to read:

13 766.31 (3) SPOUSE'S INTEREST IN MARITAL PROPERTY. (intro.) Each spouse has a  
14 present undivided one-half interest in each item of marital property, ~~but the~~ subject  
15 to all of the following:

16 (a) *Terminable interest in deferred employment benefit plan.* As provided in s.  
17 766.62 (5), the marital property interest of the nonemployee spouse in a deferred  
18 employment benefit plan or in assets in an individual retirement account that are  
19 traceable to the rollover of a deferred employment benefit plan terminates at the  
20 death of the nonemployee spouse if he or she predeceases the employee spouse.

21 **SECTION 42.** 766.31 (3) (b) of the statutes is created to read:

22 766.31 (3) (b) *Division based on aggregate value at death.* 1. Spouses may  
23 provide in a marital property agreement that at the death of a spouse some or all of  
24 their marital property will be divided based on aggregate value rather than divided

**SENATE BILL 625**

1 item by item. However, at the death of a spouse, a marital property agreement is not  
2 necessary for a division of marital property that is not item by item.

3 2. The surviving spouse and the successor in interest to the decedent's share  
4 of marital property may enter into an agreement providing that some or all of the  
5 marital property in which each has an interest will be divided based on aggregate  
6 value rather than divided item by item.

7 **SECTION 43.** 766.31 (4) (title) of the statutes is created to read:

8 766.31 (4) (title) CLASSIFICATION OF INCOME.

9 **SECTION 44.** 766.31 (5) (title) of the statutes is created to read:

10 766.31 (5) (title) TRANSFER TO A TRUST.

11 **SECTION 45.** 766.31 (6) (title) of the statutes is created to read:

12 766.31 (6) (title) PROPERTY OWNED AT DETERMINATION DATE.

13 **SECTION 46.** 766.31 (6) of the statutes is renumbered 766.31 (6) (a) and  
14 amended to read:

15 766.31 (6) (a) *Date of marriage same as determination date.* Property owned  
16 at a ~~If the date of marriage which occurs after 12:01 a.m. on January 1, 1986, is the~~  
17 ~~same as the determination date, the property owned at the determination date is~~  
18 individual property of the owning spouse ~~if, at the marriage, both spouses are~~  
19 ~~domiciled in this state.~~

20 **SECTION 47.** 766.31 (6) (b) of the statutes is created to read:

21 766.31 (6) (b) *Date of marriage prior to determination date.* If the date of  
22 marriage precedes the determination date, the property owned at the determination  
23 date is not classified by this chapter but is subject to all of the following:

24 1. Subsections (8) and (9) govern property owned at the time of marriage.

**SENATE BILL 625**

1           2. Subsections (8) and (9) govern property acquired while the spouses were  
2 married but before the determination date if the property would have been  
3 individual property had it been acquired after the determination date.

4           3. Subsections (8) and (9) and s. 861.02 govern property acquired while the  
5 spouses were married but before the determination date if the property would have  
6 been marital property had it been acquired after the determination date.

7           **SECTION 48.** 766.31 (7) (title) of the statutes is created to read:

8           766.31 (7) (title) INDIVIDUAL PROPERTY AFTER DETERMINATION DATE.

9           **SECTION 49.** 766.31 (7p) (title) of the statutes is created to read:

10          766.31 (7p) (title) UNILATERAL STATEMENT.

11          **SECTION 50.** 766.31 (8) (title) of the statutes is created to read:

12          766.31 (8) (title) RIGHTS IN PROPERTY ACQUIRED BEFORE DETERMINATION DATE.

13          **SECTION 51.** 766.31 (9) (title) of the statutes is created to read:

14          766.31 (9) (title) TREATMENT OF PROPERTY ACQUIRED BEFORE THE DETERMINATION  
15 DATE.

16          **SECTION 52.** 766.31 (10) (title) of the statutes is created to read:

17          766.31 (10) (title) RECLASSIFICATION.

18          **SECTION 53.** 766.61 (7) of the statutes is amended to read:

19          766.61 (7) If Except as provided in s. 854.14 (3m) (b) 2., if a noninsured spouse  
20 predeceases an insured spouse, the decedent spouse's marital property interest of the  
21 ~~decedent spouse~~ in a policy which that designates the surviving spouse as the owner  
22 and insured is limited to a dollar amount equal to one-half of the marital property  
23 interest in the interpolated terminal reserve and in the unused portion of the term  
24 premium of the policy on the decedent spouse's date of death ~~of the deceased spouse~~.

25 All other rights of the decedent spouse in the ownership interest or proceeds of the

**SENATE BILL 625****SECTION 53**

1 policy, other than the marital property interest described in this subsection,  
2 terminate at the decedent spouse's death.

3 **SECTION 54.** 766.62 (2) of the statutes is amended to read:

4 766.62 (2) A deferred employment benefit attributable to employment of a  
5 spouse occurring while the spouse is ~~married and~~ partly before and partly after the  
6 determination date is mixed property. The marital property component of that mixed  
7 property is the amount which results from multiplying the entire benefit by a  
8 fraction, the numerator of which is the period of employment giving rise to the benefit  
9 that occurred after the determination date and during marriage and the  
10 denominator of which is the total period of employment giving rise to the benefit.

11 **SECTION 55.** 766.62 (4) of the statutes is renumbered 766.62 (4) (a).

12 **SECTION 56.** 766.62 (4) (b) of the statutes is created to read:

13 766.62 (4) (b) If a deferred employment benefit plan administrator has reason  
14 to believe that a dispute exists as to the rights of parties, or their successors, to a  
15 deferred employment benefit, the deferred employment benefit plan administrator  
16 may do any of the following:

17 1. Deposit the benefit funds with a court having jurisdiction of the proceedings.  
18 The court shall hold the funds and, upon determination of the owner, shall order  
19 disbursement in accordance with the determination. Property deposited with the  
20 court discharges the deferred employment benefit plan administrator from all claims  
21 for the benefit funds.

22 2. Refuse to transfer any funds from the plan to any person until the  
23 administrator receives from a court written documentation that the dispute has been  
24 resolved.

25 3. Make a payment under par. (a).



**SENATE BILL 625**

1           **SECTION 57.** 766.62 (4) (c) of the statutes is created to read:

2           766.62 (4) (c) The protection afforded a deferred employment benefit plan  
3 administrator under this subsection does not affect the rights of parties or their  
4 successors in disputes concerning the beneficial ownership of deferred employment  
5 benefits.

6           **SECTION 58.** 766.62 (5) (intro.) of the statutes is amended to read:

7           766.62 (5) (intro.) If Except as provided in s. 854.14 (3m) (c), if the nonemployee  
8 spouse predeceases the employee spouse, the marital property interest of the  
9 nonemployee spouse in all of the following terminates at the death of the  
10 nonemployee spouse:

11           **SECTION 59.** 767.266 (1) (b) of the statutes is amended to read:

12           767.266 (1) (b) That one or both spouses will make a particular disposition in  
13 a will or other governing instrument, as defined in s. 854.01 (2).

14           **SECTION 60.** 851.055 (1m) of the statutes is created to read:

15           851.055 (1m) Is not classified as individual property or marital property under  
16 a valid marital property agreement, unless the marital property agreement provides  
17 otherwise.

18           **SECTION 61.** 851.21 (1) (b) of the statutes is amended to read:

19           851.21 (1) (b) ~~A~~ Except as provided in s. 853.32 (2) (e), a beneficiary named  
20 in any document offered for probate as the will of the decedent and includes a person  
21 named or acting as a trustee of any trust, inter vivos or testamentary, named as a  
22 beneficiary.

23           **SECTION 62.** 851.31 of the statutes is amended to read:

24           **851.31 Will.** “Will” Unless the context or subject matter indicates otherwise,  
25 “will” includes a codicil and any document incorporated by reference in a

**SENATE BILL 625**

1       testamentary document under s. 853.32 (1) or (2). “Will” does not include a copy,  
2       unless the copy has been proven as a will under s. 856.17, but “will” does include a  
3       properly executed duplicate original.

4               **SECTION 63.** 851.50 of the statutes is amended to read:

5               **851.50 Status of adopted persons.** The status of adopted persons for  
6       purposes of inheritance and transfers under wills or other governing instruments,  
7       as defined in s. 854.01 (2), is governed by ss. 854.20 and 854.21.

8               **SECTION 64.** 852.01 (1) (a) 2. of the statutes is renumbered 852.01 (1) (a) 2.  
9       (intro.) and amended to read:

10              852.01 (1) (a) 2. (intro.) If there are surviving issue one or more of whom are  
11       not issue of the surviving spouse, one-half of decedent’s property other than the  
12       following property:

13              a. The decedent’s interest in marital property.

14              **SECTION 65.** 852.01 (1) (a) 2. b. of the statutes is created to read:

15              852.01 (1) (a) 2. b. The decedent’s interest in property held equally and  
16       exclusively with the surviving spouse as tenants in common.

17              **SECTION 66.** 852.01 (1) (b) of the statutes is amended to read:

18              852.01 (1) (b) To the issue, per stirpes, the share of the estate not passing to the  
19       spouse under par. (a), or the entire estate if there is no surviving spouse. ~~If there are~~  
20       ~~issue other than children, those of more remote degrees take per stirpes.~~

21              **SECTION 67.** 852.05 (title) of the statutes is amended to read:

22              **852.05 (title) Status of nonmarital child born to unmarried parents for**  
23       **purposes of intestate succession.**

24              **SECTION 68.** 852.05 (1) (intro.) of the statutes is amended to read:

**SENATE BILL 625**

1           852.05 (1) (intro.) A ~~nonmarital~~ child born to unmarried parents, or the child's  
2 issue is ~~entitled to take, is treated~~ in the same manner as a marital child ~~by, or the~~  
3 issue of a child, born to married parents with respect to intestate succession from and  
4 through ~~his or her~~ the child's mother, and from and through ~~his or her~~ the child's  
5 father if any of the following applies:

6           **SECTION 69.** 852.05 (2) of the statutes is amended to read:

7           852.05 (2) Property of a ~~nonmarital~~ child born to unmarried parents passes in  
8 accordance with s. 852.01 except that the father or the father's kindred can inherit  
9 only if the father has been adjudicated to be the father in a paternity proceeding  
10 under ch. 767 or by final order or judgment of a court of competent jurisdiction in  
11 another state or has been determined to be the father under s. 767.62 (1) or a  
12 substantially similar law of another state.

13           **SECTION 70.** 852.05 (3) of the statutes is amended to read:

14           852.05 (3) (a) This section does not apply to a child who becomes a marital child  
15 by the subsequent marriage of the child's parents under s. 767.60.

16           (b) The status of a ~~nonmarital~~ child born to unmarried parents who is legally  
17 adopted is governed by s. 854.20.

18           **SECTION 71.** 852.12 of the statutes is amended to read:

19           **852.12 Debts to decedent.** If an heir owes a debt to the decedent, s. 854.12  
20 governs the treatment of that debt shall be charged against the intestate share of the  
21 debtor, regardless of whether the debt has been discharged in bankruptcy. If the  
22 debtor fails to survive the decedent, the debt shall not be taken into account in  
23 computing the intestate shares of the debtor's issue.

24           **SECTION 72.** 853.03 (2) of the statutes is renumbered 853.03 (2) (am) and  
25 amended to read:

**SENATE BILL 625****SECTION 72**

1           853.03 (2) (am) It must be signed by ~~2 or more witnesses, each of whom at least~~  
2           2 witnesses who signed within a reasonable time after ~~witnessing~~ any of the  
3           following:

4           1. The signing of the will as provided under sub. (1), in the conscious presence  
5           of the witness.

6           2. The testator's implicit or explicit acknowledgement of the testator's  
7           signature on the will, ~~within~~ in the conscious presence of ~~each of the witnesses~~  
8           witness.

9           3. The testator's implicit or explicit acknowledgement of the will, ~~within~~ in the  
10          conscious presence of ~~each of the witnesses~~ witness.

11          **SECTION 73.** 853.03 (2) (bm) of the statutes is created to read:

12          853.03 (2) (bm) The 2 witnesses required under par. (am) may observe the  
13          signing or acknowledgement under par. (am) 1. to 3. at different times.

14          **SECTION 74.** 853.04 (3) of the statutes is repealed and recreated to read:

15          853.04 (3) EFFECT OF AFFIDAVIT. The effect of an affidavit in substantially the  
16          form under sub. (1) or (2) is as provided in s. 856.16.

17          **SECTION 75.** 853.11 (2) of the statutes is renumbered 853.12, and 853.12 (1), (2)  
18          (intro.), (b) and (c), (3) (intro.) and (4) (intro.) and (b), as renumbered, are amended  
19          to read:

20          853.12 (1) ENTITLEMENT OF SURVIVING SPOUSE. Subject to ~~par. (e) sub. (3)~~, if the  
21          testator married the surviving spouse after the testator executed his or her will, the  
22          surviving spouse is entitled to a share of the probate estate.

23          (2) VALUE OF SHARE. (intro.) The value of the share under ~~par. (a) sub. (1)~~ is the  
24          value of the share that the surviving spouse would have received had the testator  
25          died with an intestate estate equal to the value of the testator's net estate ~~of the~~

**SENATE BILL 625**

1     ~~decedent less, but the value of the net estate shall first be reduced by the value of all~~  
2     of the following:

3             (b) All devises to or for the benefit of the issue of a child described in ~~subd. 1.~~  
4     ~~par. (a).~~

5             (c) All devises that pass under s. 854.06, 854.07, 854.21, or 854.22 to or for the  
6     benefit of children described in ~~subd. 1. par. (a)~~ or issue of those children.

7             **(3) EXCEPTIONS.** (intro.) ~~Paragraph (a)~~ Subsection (1) does not apply if any of  
8     the following applies:

9             **(4) PRIORITY AND ABATEMENT.** (intro.) In satisfying the share provided by this  
10    ~~subsection~~ section:

11            (b) Devises other than those described in ~~par. (b) 1. to 3.~~ sub. (2) (a) to (c) abate  
12    as provided under s. 854.18.

13            **SECTION 76.** 853.11 (2m) of the statutes is created to read:

14            853.11 **(2m)** PREMARITAL WILL. Entitlements of a surviving spouse under a  
15    decedent's will that was executed before marriage to the surviving spouse are  
16    governed by s. 853.12.

17            **SECTION 77.** 853.11 (3) of the statutes is amended to read:

18            853.11 **(3)** ~~FORMER~~ TRANSFER TO FORMER SPOUSE. ~~The effect of a~~ A transfer under  
19    a will to a former spouse is governed by s. 854.15.

20            **SECTION 78.** 853.11 (6) (c) of the statutes is amended to read:

21            853.11 **(6)** (c) If a subsequent will that wholly or partly revoked a previous will  
22    is itself revoked by another, later will, the previous will or its revoked part remains  
23    revoked, unless it or its revoked part is revived. The previous will or its revoked part  
24    is revived to the extent that it appears from the terms of the later will, or from the

**SENATE BILL 625****SECTION 78**

1 testator's contemporary or subsequent declarations, that the testator intended the  
2 previous will or its revoked part to take effect.

3 **SECTION 79.** 853.11 (6) (d) of the statutes is amended to read:

4 853.11 (6) (d) In the absence of an original valid will, establishment of the  
5 execution and validity of the revived will or part is ~~governed by~~ may be established  
6 as provided in s. 856.17.

7 **SECTION 80.** 853.18 (1) of the statutes is renumbered 853.18 (1) (intro.) and  
8 amended to read:

9 853.18 (1) (intro.) Except as otherwise provided in s. 853.15 or 853.17 (1) or ch.  
10 766, no written designation in accordance with the terms of any insurance, annuity  
11 or endowment contract, or in any agreement issued or entered into by an insurance  
12 company in connection therewith, supplemental thereto or in settlement thereof,  
13 and no written designation made under a contract, plan, system or trust providing  
14 for pension, retirement, deferred compensation, stock bonus, profit-sharing or death  
15 benefits, or an employment or commission contract, of any person to be a beneficiary,  
16 payee or owner of any right, title or interest thereunder upon the death of another,  
17 or any assignment of rights under any of the foregoing, none of the following is  
18 subject to or defeated or impaired by any statute or rule of law governing the transfer  
19 of property by will, gift, or intestacy, even though that the designation or assignment  
20 is revocable or the rights of that the beneficiary, payee, owner, or assignee are  
21 otherwise subject to defeasance.:

22 **SECTION 81.** 853.18 (1) (a), (b) and (c) of the statutes are created to read:

23 853.18 (1) (a) A written designation in accordance with the terms of any  
24 insurance, annuity, or endowment contract.

**SENATE BILL 625**

1 (b) Any agreement issued or entered into by an insurance company  
2 supplemental to or in settlement of any insurance, annuity, or endowment contract.

3 (c) Any written designation made under a contract, plan, system, or trust  
4 providing for pension, retirement, deferred compensation, stock bonus,  
5 profit-sharing, or death benefits, or an employment or commission contract, of any  
6 person to be a beneficiary, payee, or owner of any right, title, or interest thereunder  
7 upon the death of another, or any assignment of rights under any of the foregoing.

8 **SECTION 82.** 853.25 (2) of the statutes is renumbered 853.25 (2) (a) (intro.) and  
9 amended to read:

10 853.25 (2) (a) (intro.) Except as provided in sub. (5), if clear and convincing  
11 evidence proves that the testator failed to provide in the testator's will for a child  
12 living at the time of making of the will, or for the issue of any then deceased child,  
13 by mistake or accident, including the mistaken belief that the child or issue of a  
14 deceased child was dead at the time the will was executed, the child or issue is  
15 entitled to receive a share in the estate of the testator, as provided under sub. (1), as  
16 if the child or issue was born or adopted after the execution of the will, as follows:

17 (b) Failure to mention a child or issue in the will is not in itself evidence of  
18 mistake or accident.

19 **SECTION 83.** 853.25 (2) (a) 1. and 2. of the statutes are created to read:

20 853.25 (2) (a) 1. If no children were included in the will but some or all of those  
21 children were omitted by mistake, then sub. (1) (b) provides for the share of any child  
22 or issue omitted by mistake.

23 2. If some children were included in the will but other children were omitted  
24 by mistake, then sub. (1) (c) provides for the share of any child or issue omitted by  
25 mistake.

**SENATE BILL 625**

1           **SECTION 84.** 853.32 (1) of the statutes is renumbered 853.32 (1) (am).

2           **SECTION 85.** 853.32 (1) (bm) of the statutes is created to read:

3           853.32 (1) (bm) A writing or document is incorporated into a will under par.  
4 (am) even if the writing or document is not executed in compliance with s. 853.03 or  
5 853.05.

6           **SECTION 86.** 853.32 (2) (a) of the statutes is amended to read:

7           853.32 (2) (a) A reference in a will ~~executed on or after May 3, 1996,~~ to another  
8 document that lists tangible personal property not otherwise specifically disposed of  
9 in the will disposes of that property if the other document describes the property and  
10 the distributees with reasonable certainty and is signed and dated by the decedent.  
11 The court may enforce a document that is not dated but that fulfills all of the other  
12 requirements under this paragraph.

13           **SECTION 87.** 853.32 (2) (am) of the statutes is created to read:

14           853.32 (2) (am) Another document under par. (a) is valid if it was signed in  
15 compliance with s. 853.03 (1) or with the law of the place where the document was  
16 signed, or where the testator resided, was domiciled, or was a national at the time  
17 the document was signed or at the time of death, even if it was not otherwise executed  
18 in compliance with s. 853.03 (2) or 853.05.

19           **SECTION 88.** 853.32 (2) (b) of the statutes is renumbered 853.32 (2) (b) (intro.)  
20 and amended to read:

21           853.32 (2) (b) (intro.) Another document under par. (a) is valid even if it any of  
22 the following applies:

23           1. The document does not exist when the will is executed, ~~even if it,~~

24           2. The document is changed after the will is executed ~~and even if it,~~



**SENATE BILL 625**

1           3. The document has no significance except for its effect on the disposition of  
2 property by the will.

3           **SECTION 89.** 854.01 of the statutes is renumbered 854.01 (intro.) and amended  
4 to read:

5           **854.01 Definition Definitions.** (intro.) In this chapter, “governing;

6           (2) “Governing instrument” means a will; a deed; a trust instrument; an  
7 insurance or annuity policy; a contract; a pension, profit-sharing, retirement, or  
8 similar benefit plan; a marital property agreement under s. 766.58 (3) (f); a  
9 beneficiary designation under s. 40.02 (8) (a); an instrument under ch. 705; an  
10 instrument that creates or exercises a power of appointment; or any other  
11 dispositive, appointive, or nominative instrument that transfers property at death.

12           **SECTION 90.** 854.01 (1) of the statutes is created to read:

13           854.01 (1) “Extrinsic evidence” means evidence that would be inadmissible  
14 under the common law parole evidence rule or a similar doctrine because the  
15 evidence is not contained in the governing instrument to which it relates.

16           **SECTION 91.** 854.03 (2) (b) of the statutes is amended to read:

17           854.03 (2) (b) Except as provided in sub. (5), if property is transferred under  
18 a governing instrument that establishes 2 or more co-owners with right of  
19 survivorship, and if ~~it is not established that~~ at least one of the co-owners ~~survived~~  
20 did not survive the others by at least 120 hours, the property is transferred to the  
21 co-owners in proportion to their ownership interests.

22           **SECTION 92.** 854.03 (5) of the statutes is renumbered 854.03 (5) (am), and  
23 854.03 (5) (am) 4., as renumbered, is amended to read:

24           854.03 (5) (am) 4. The imposition of a 120-hour survival requirement would  
25 cause a nonvested property interest or a power of appointment to fail to be valid, or

**SENATE BILL 625**

1 to be invalidated, under s. 700.16 or under the rule against perpetuities of the  
2 applicable jurisdiction.

3 **SECTION 93.** 854.03 (5) (am) 7. of the statutes is created to read:

4 854.03 (5) (am) 7. The statute or governing instrument specifies that this  
5 statute, or one similar to it, does not apply.

6 **SECTION 94.** 854.03 (5) (am) 8. of the statutes is created to read:

7 854.03 (5) (am) 8. The imposition of a 120-hour survival requirement would  
8 be administratively cumbersome and would not change the identity of the ultimate  
9 beneficiaries of the property or the property that each beneficiary would receive.

10 **SECTION 95.** 854.03 (5) (bm) of the statutes is created to read:

11 854.03 (5) (bm) If the transfer is made under a governing instrument and the  
12 person who executed the governing instrument had an intent contrary to any  
13 provision in this section, then that provision is not applicable to the transfer.  
14 Extrinsic evidence may be used to construe the intent.

15 **SECTION 96.** 854.03 (7) of the statutes is repealed.

16 **SECTION 97.** 854.04 (1) (a) of the statutes is amended to read:

17 854.04 (1) (a) Except as provided in subs. (5) and (6), if a statute or a governing  
18 instrument calls for property to be distributed to the issue or descendants of a  
19 designated person “by representation”, “by right of representation,” or “per  
20 stirpes”, the property is divided into equal shares for the designated person’s  
21 surviving children of the designated person and for the designated person’s deceased  
22 children who left surviving issue. Each surviving child and each deceased child who  
23 left surviving issue are allocated one share.

24 **SECTION 98.** 854.04 (3) (a) of the statutes is amended to read:

**SENATE BILL 625**

1           854.04 (3) (a) Except as provided in subs. (5) and (6), if a statute or a governing  
2 instrument calls for property to be distributed to the issue or descendants of a  
3 designated person “per capita at each generation~~,”~~” the property is divided into  
4 equal shares at the generation nearest to the designated person that contains one or  
5 more surviving issue. Each survivor in that generation is and each deceased person  
6 in that generation who left surviving issue are allocated one share, ~~and the.~~ The  
7 shares of the deceased persons in that same generation who left surviving issue are  
8 combined for ~~distribution~~ allocation under par. (b).

9           **SECTION 99.** 854.04 (4) of the statutes is amended to read:

10           854.04 (4) PER CAPITA. Except as provided in sub. (6), if a statute or governing  
11 instrument calls for property to be distributed to a group or class “per capita”, the  
12 property is divided into as many shares as there are surviving members of the group  
13 or class, and each member ~~receives~~ is allocated one share.

14           **SECTION 100.** 854.04 (5) (intro.) of the statutes is amended to read:

15           854.04 (5) CERTAIN INDIVIDUALS DISREGARDED. (intro.) For the purposes of this  
16 ~~section~~ subs. (1) to (3), all of the following apply:

17           **SECTION 101.** 854.04 (5) (b) of the statutes is amended to read:

18           854.04 (5) (b) An individual who has a surviving ancestor who is an issue of the  
19 designated person is not ~~entitled to~~ allocated a share.

20           **SECTION 102.** 854.04 (6) of the statutes is amended to read:

21           854.04 (6) CONTRARY INTENT. ~~This section does not apply if~~ If the transfer is  
22 made under a governing instrument and ~~there is a finding of contrary intent of the~~  
23 person who executed the governing instrument had an intent contrary to any  
24 provision in this section, then that provision is not applicable to the transfer.  
25 Extrinsic evidence may be used to construe ~~that~~ the intent.

**SENATE BILL 625****SECTION 103**

1           **SECTION 103.** 854.05 (5) of the statutes is renumbered 854.05 (5) (a) and  
2 amended to read:

3           854.05 (5) (a) ~~This section does not apply to the extent that a~~ If the person who  
4 executed the governing instrument, either expressly or as construed from extrinsic  
5 had an intent contrary to any provision in this section, then that provision is not  
6 applicable to the transfer. Extrinsic evidence, provides otherwise may be used to  
7 construe the intent.

8           (b) A general directive to pay debts does not give rise to a presumption of  
9 exoneration.

10           **SECTION 104.** 854.06 (1) (b) of the statutes is repealed.

11           **SECTION 105.** 854.06 (4) (a) of the statutes is renumbered 854.06 (4) (a) (intro.)  
12 and amended to read:

13           854.06 (4) (a) (intro.) ~~This section~~ Subsection (3) does not apply if there is a  
14 finding of contrary intent of the decedent any of the following applies:

15           (bm) If the person who executed the governing instrument had an intent  
16 contrary to any provision in this section, then that provision is not applicable to the  
17 transfer. Extrinsic evidence may be used to construe that the intent.

18           **SECTION 106.** 854.06 (4) (a) 1. of the statutes is created to read:

19           854.06 (4) (a) 1. The governing instrument provides that a transfer to a  
20 predeceased beneficiary lapses.

21           **SECTION 107.** 854.06 (4) (b) of the statutes is renumbered 854.06 (4) (a) 2. and  
22 amended to read:

23           854.06 (4) (a) 2. ~~If the~~ The governing instrument designates one or more  
24 persons, classes, or groups of people as contingent transferees, in which case those  
25 transferees take in preference to those under sub. (3). But if none of the contingent

**SENATE BILL 625**

1 transferees survives, sub. (3) applies to the first group in the sequence of contingent  
2 transferees that has one or more transferees specified in sub. (2) who left surviving  
3 issue.

4 **SECTION 108.** 854.07 (3) of the statutes is amended to read:

5 854.07 (3) If a governing instrument other than a will does not effectively  
6 dispose of an asset that is governed by the instrument, that asset shall be paid or  
7 distributed to the decedent's transferor's probate estate.

8 **SECTION 109.** 854.07 (4) of the statutes is amended to read:

9 854.07 (4) ~~This section does not apply if there is a finding of contrary intent of~~  
10 If the person who executed the governing instrument had an intent contrary to any  
11 provision in this section, then that provision is inapplicable to the transfer. Extrinsic  
12 evidence may be used to construe that the intent.

13 **SECTION 110.** 854.08 (5) (title) of the statutes is repealed and recreated to read:

14 854.08 (5) (title) PROPERTY UNDER GUARDIANSHIP, CONSERVATORSHIP, OR POWER OF  
15 ATTORNEY.

16 **SECTION 111.** 854.08 (5) of the statutes is renumbered 854.08 (5) (b) and  
17 amended to read:

18 854.08 (5) (b) Subject to pars. (c) and (d) and sub. (6), if property that is the  
19 subject of a specific gift is sold or mortgaged by a guardian ~~or~~, conservator, or agent  
20 of the person who executed the governing instrument, or if a condemnation award  
21 or insurance proceeds are paid to a guardian ~~or~~, conservator, or agent, the specific  
22 beneficiary has the right to a general pecuniary transfer equivalent to the proceeds  
23 of the sale ~~or the, mortgage,~~ condemnation award, or the insurance proceeds, reduced  
24 by any amount expended or incurred to restore or repair the property or to reduce

**SENATE BILL 625****SECTION 111**

1 the indebtedness on the mortgage, if the funds are available under the governing  
2 instrument. This provision

3 (c) Paragraph (b) does not apply if the person who executed the governing  
4 instrument with respect to a guardian or conservator if, subsequent to the sale or,  
5 mortgage, award, or receipt of insurance proceeds, the person who executed the  
6 governing instrument is adjudicated competent and survives such adjudication for  
7 a period of one year; but in such event ~~a sale by a guardian or conservator within 2~~  
8 ~~years of that person's death is a sale by that person for purposes of sub. (2)~~ the rights  
9 of the specific beneficiary shall be determined as though the proceeds were paid to  
10 the owner under sub. (2), (3), or (4).

11 **SECTION 112.** 854.08 (5) (a) of the statutes is created to read:

12 854.08 (5) (a) In this subsection, "agent" means an agent under a durable power  
13 of attorney, as defined in s. 243.07 (1) (a).

14 **SECTION 113.** 854.08 (5) (d) of the statutes is created to read:

15 854.08 (5) (d) Paragraph (b) does not apply with respect to an agent if the  
16 person who executed the governing instrument is competent at the time of the sale,  
17 mortgage, award, or receipt of insurance proceeds but in such event the rights of the  
18 specific beneficiary shall be determined as though the proceeds were paid to the  
19 owner under sub. (2), (3), or (4).

20 **SECTION 114.** 854.08 (6) (a) (intro.) and 2. of the statutes are consolidated,  
21 renumbered 854.08 (6) (ag) and amended to read:

22 854.08 (6) (ag) This section is inapplicable if ~~any of the following applies: 2.~~  
23 ~~The~~ the person who executed the governing instrument gives property during the  
24 person's lifetime to the specific beneficiary with the intent of satisfying the specific

**SENATE BILL 625**

1 gift. ~~Extrinsic evidence may be used to construe that intent and the requirement~~  
2 under s. 854.09 (1) is satisfied.

3 **SECTION 115.** 854.08 (6) (a) 1. of the statutes is renumbered 854.08 (6) (ar) and  
4 amended to read:

5 854.08 (6) (ar) ~~The~~ If the person who executed the governing instrument, either  
6 expressly or as construed from extrinsic evidence, shows the had an intent that a  
7 contrary to any provision in this section, then that provision is inapplicable to the  
8 transfer fail under the particular circumstances. Extrinsic evidence may be used to  
9 construe the intent.

10 **SECTION 116.** 854.09 (3) of the statutes is amended to read:

11 854.09 (3) ~~If the transferee fails to survive the person who executed the~~  
12 ~~governing instrument, the gift is treated as a full or partial satisfaction of the~~  
13 ~~transfer and his or her issue take a substitute transfer under intestacy or under a~~  
14 ~~governing instrument, the issue receive the same transfer that the named transferee~~  
15 ~~would have received had the transferee survived, unless the transferor has declared~~  
16 ~~otherwise in a document, either expressly or as construed from extrinsic evidence.~~

17 **SECTION 117.** 854.11 (4) of the statutes is amended to read:

18 854.11 (4) **CONTRARY INTENT.** ~~This section does not apply if there is a finding of~~  
19 ~~contrary intent of~~ If the person who executed the governing instrument had an intent  
20 contrary to any provision in this section, then that provision is inapplicable to the  
21 transfer. Extrinsic evidence may be used to construe that the intent.

22 **SECTION 118.** 854.12 of the statutes is created to read:

23 **854.12 Debt to transferor. (1) HEIR UNDER INTESTACY.** (a) If an heir owes a  
24 debt to the decedent, the amount of the indebtedness shall be offset against the  
25 intestate share of the debtor heir.

**SENATE BILL 625****SECTION 118**

1           (b) In contesting an offset under par. (a), the debtor heir shall have the benefit  
2 of any defense that would be available to the debtor heir in a direct proceeding by the  
3 personal representative for the recovery of the debt, except that the debtor heir may  
4 not defend on the basis that the debt was discharged in bankruptcy or on the basis  
5 that the relevant statute of limitations has expired. If the debtor fails to survive the  
6 decedent, the court may not include the debt in computing any intestate shares of the  
7 debtor's issue.

8           **(2) TRANSFEREE UNDER REVOCABLE GOVERNING INSTRUMENT.** (a) Subject to par.  
9 (c), if a transferee under a revocable governing instrument survives the transferor  
10 and is indebted to the transferor, the amount of the indebtedness shall be treated as  
11 an offset against the property to which the debtor transferee is entitled. If multiple  
12 revocable governing instruments transfer property to the debtor, the debt shall be  
13 equitably allocated against the various instruments.

14           (b) Subject to par. (c), in contesting an offset under par. (a), the debtor shall have  
15 the benefit of any defense that would be available to the transferee in a direct  
16 proceeding for the recovery of the debt, except that the transferee may not defend on  
17 the basis that the debt was discharged in bankruptcy, unless that discharge occurred  
18 before the execution of the governing instrument, or on the basis that the relevant  
19 statute of limitations has expired. If the transferee fails to survive the decedent, the  
20 debt may not be included in computing the entitlement of alternate beneficiaries.

21           (c) If the person who executed the governing instrument had an intent contrary  
22 to any provision in this subsection, then that provision is not applicable to the  
23 transfer. Extrinsic evidence may be used to construe the intent.

24           **(3) PROPERTY NOT DISTRIBUTED BECAUSE OF OFFSET.** The property not distributed  
25 to the debtor becomes part of the residue of the entity that holds the debt. If the debt



**SENATE BILL 625**

1 is not held by an entity, then the property not distributed to the debtor becomes part  
2 of the residue of the decedent's probate estate.

3 **SECTION 119.** 854.13 (title) of the statutes is amended to read:

4 **854.13 (title) Disclaimer of transfers at death.**

5 **SECTION 120.** 854.13 (2) (a) of the statutes is renumbered 854.13 (2) (a) 2.

6 **SECTION 121.** 854.13 (2) (a) 1. of the statutes is created to read:

7 854.13 (2) (a) 1. In this paragraph, "person" includes a person who is unborn  
8 or whose identity is unascertained.

9 **SECTION 122.** 854.13 (2) (gm) of the statutes is created to read:

10 854.13 (2) (gm) *Disclaimer by trustee.* The trustee of a trust named as a  
11 recipient of property under a governing instrument may disclaim that property on  
12 behalf of the trust if the trust authorizes disclaimer by the trustee. If the trust does  
13 not authorize disclaimer by the trustee, the trustee's power to disclaim is subject to  
14 the approval of the court.

15 **SECTION 123.** 854.13 (2) (h) of the statutes is amended to read:

16 854.13 (2) (h) *After death.* A person's right to disclaim survives the person's  
17 death and may be exercised by the person's personal representative or special  
18 administrator upon receiving approval from the court having jurisdiction of the  
19 person's estate after hearing upon notice to all persons interested in the disclaimed  
20 property, if the personal representative or special administrator has not taken any  
21 action which that would bar the right to disclaim under sub. (11) (11g).

22 **SECTION 124.** 854.13 (2) (i) of the statutes is created to read:

23 854.13 (2) (i) *Disclaimer of inter vivos transfers.* A person who is a recipient  
24 of property under an inter vivos governing instrument, as defined in s. 700.27 (1) (c),  
25 may disclaim the property as provided in s. 700.27.

**SENATE BILL 625****SECTION 125**

1           **SECTION 125.** 854.13 (4) (c) of the statutes is amended to read:

2           854.13 (4) (c) *Future right to income or profits principal*. Notwithstanding  
3           pars. (a) and (b), an instrument disclaiming the future right to receive discretionary  
4           or mandatory distributions of income or profits principal from any source may be  
5           executed and delivered at any time.

6           **SECTION 126.** 854.13 (7) (title) of the statutes is amended to read:

7           854.13 (7) (title) ~~DEVOLUTION IN GENERAL.~~

8           **SECTION 127.** 854.13 (7) (a) of the statutes is amended to read:

9           854.13 (7) (a) *In general.* ~~Unless the transferor of the property or donee of the~~  
10          ~~power has otherwise provided~~ Subject to pars. (bm) and (c) and subs. (8), (9), and (10),  
11          unless the governing instrument provides otherwise, either expressly or as  
12          construed from extrinsic evidence, the disclaimed property devolves as if the  
13          disclaimant had died before the decedent ~~or before the effective date of the transfer~~  
14          ~~under the governing instrument.~~ If the disclaimed interest is a remainder  
15          contingent on surviving to the time of distribution, the disclaimed interest passes as  
16          if the disclaimant had died immediately before the time for distribution. If the  
17          disclaimant is an appointee under a power exercised by a governing instrument, the  
18          disclaimed property devolves as if the disclaimant had died before the effective date  
19          of the exercise of the power. If the disclaimant is a taker in default under a power  
20          created by a governing instrument, the disclaimed property devolves as if the  
21          disclaimant had predeceased the donee of the power. ~~This paragraph is subject to~~  
22          ~~subs. (8), (9) and (10).~~

23          **SECTION 128.** 854.13 (7) (b) of the statutes is repealed.

24          **SECTION 129.** 854.13 (7) (bm) and (c) of the statutes are created to read:

**SENATE BILL 625**

1           854.13 (7) (bm) *Devolution to issue of the disclaimants.* Unless the governing  
2 instrument provides otherwise, either expressly or as construed from extrinsic  
3 evidence, if, by law or under the governing instrument, the issue of the disclaimant  
4 would share in the disclaimed interest by any method of representation had the  
5 disclaimant died before the time the disclaimed interest would have taken effect in  
6 possession or enjoyment, the disclaimed interest passes only to the issue of the  
7 disclaimant who survive when the disclaimed interest takes effect in possession or  
8 enjoyment.

9           (c) *Disclaimer of a devisable future interest.* 1. In this paragraph, “devisable  
10 future interest” is a future interest that can be passed under the will of the person  
11 who holds the future interest.

12           2. If the disclaimed interest is a devisable future interest under the law  
13 governing the transfer, then the disclaimed interest devolves as if it were a  
14 nondevisable future interest.

15           **SECTION 130.** 854.13 (8) of the statutes is amended to read:

16           854.13 (8) DEVOLUTION OF DISCLAIMED INTEREST IN JOINT TENANCY. ~~A~~ Unless the  
17 decedent provided otherwise in a governing instrument, either expressly or as  
18 construed from extrinsic evidence, a disclaimed interest in a joint tenancy passes to  
19 the decedent’s probate estate.

20           **SECTION 131.** 854.13 (9) of the statutes is amended to read:

21           854.13 (9) DEVOLUTION OF DISCLAIMED INTEREST IN SURVIVORSHIP MARITAL  
22 PROPERTY. ~~A~~ Unless the decedent provided otherwise in a governing instrument,  
23 either expressly or as construed from extrinsic evidence, a disclaimed interest in  
24 survivorship marital property passes to the decedent’s probate estate.

**SENATE BILL 625****SECTION 132**

1           **SECTION 132.** 854.13 (10) (title) of the statutes is repealed and recreated to  
2 read:

3           854.13 **(10)** (title) ACCELERATION OF SUBSEQUENT INTERESTS WHEN PRECEDING  
4 INTEREST IS DISCLAIMED.

5           **SECTION 133.** 854.13 (10) of the statutes is renumbered 854.13 (10) (a) and  
6 amended to read:

7           854.13 **(10)** (a) *Subsequent interest not held by disclaimant.* Unless the  
8 ~~governing instrument creating the future interest manifests a contrary intent~~  
9 ~~provides otherwise~~, either expressly or as construed from extrinsic evidence, a future  
10 ~~upon the disclaimer of a preceding interest, a subsequent interest not held by the~~  
11 ~~disclaimant and~~ limited to take effect in possession or enjoyment after the  
12 termination of the interest ~~which that~~ is disclaimed ~~takes~~ accelerates to take effect  
13 as if the disclaimant had died immediately before the ~~effective date of the governing~~  
14 ~~instrument~~ time when the disclaimed interest would have taken effect in possession  
15 or enjoyment or, if the disclaimant is an appointee under a power exercised by a  
16 ~~governing instrument~~ power of appointment, as if the disclaimant had died before  
17 the effective date of the exercise of the power.

18           **SECTION 134.** 854.13 (10) (b) of the statutes is created to read:

19           854.13 **(10)** (b) *Subsequent interest held by the disclaimant.* Unless the  
20 governing instrument provides otherwise, either expressly or as construed from  
21 extrinsic evidence, upon the disclaimer of a preceding interest, a subsequent interest  
22 held by the disclaimant does not accelerate.

23           **SECTION 135.** 854.13 (11) (title) of the statutes is repealed.

24           **SECTION 136.** 854.13 (11) (a) of the statutes is renumbered 854.13 (11g), and  
25 854.13 (11g) (intro.) and (a), as renumbered, are amended to read:

**SENATE BILL 625**

1           854.13 **(11g)** ~~ACTIONS THAT BAR DISCLAIMER~~ BAR. (intro.) ~~A~~ Bars to a person's  
2 right to disclaim property is ~~barred by~~ include, but are not limited to, any of the  
3 following:

4           (a) The person's assignment, conveyance, encumbrance, pledge, or transfer of  
5 the property or a contract ~~therefor~~ for the assignment, conveyance, encumbrance,  
6 pledge, or transfer of the property.

7           **SECTION 137.** 854.13 (11) (b) of the statutes is renumbered 854.13 (11p), and  
8 854.13 (11p) (title), as renumbered, is amended to read:

9           854.13 **(11p)** (title) ~~EFFECT UPON SUCCESSORS IN INTEREST OF DISCLAIMER OR~~  
10 WAIVER.

11           **SECTION 138.** 854.13 (12) (b) of the statutes is amended to read:

12           854.13 **(12)** (b) Any disclaimer that meets the requirements of section 2518 of  
13 the Internal Revenue Code, or the requirements of any other federal law relating to  
14 disclaimers, constitutes an effective disclaimer under this section or s. 700.27.

15           **SECTION 139.** 854.14 (1) of the statutes is repealed.

16           **SECTION 140.** 854.14 (3m) of the statutes is created to read:

17           854.14 **(3m)** ~~ADDITIONAL EFFECTS IF DEATH CAUSED BY SPOUSE.~~ (a) *Definitions.*

18           In this subsection:

19           1. "Owner" means a person appearing on the records of the policy issuer as the  
20 person having the ownership interest, or means the insured if no person other than  
21 the insured appears on those records as a person having that interest. In the case  
22 of group insurance, the "owner" means the holder of each individual certificate of  
23 coverage under the group plan and does not include the person who contracted with  
24 the policy issuer on behalf of the group, regardless of whether that person is listed  
25 as the owner on the contract.

**SENATE BILL 625****SECTION 140**

1           2. “Ownership interest” means the rights of an owner under a policy.

2           3. “Policy” means an insurance policy insuring the life of a spouse and providing  
3 for payment of death benefits at the spouse’s death.

4           4. “Proceeds” means the death benefit from a policy and all other economic  
5 benefits from it, whether they accrue or become payable as a result of the death of  
6 an insured person or upon the occurrence or nonoccurrence of another event.

7           (b) *Life insurance.* 1. Except as provided in sub. (6), if a noninsured spouse  
8 unlawfully and intentionally kills an insured spouse, the surviving spouse’s  
9 ownership interest in a policy that designates the decedent spouse as the owner and  
10 insured, or in the proceeds of such a policy, is limited to a dollar amount equal to  
11 one-half of the marital property interest in the interpolated terminal reserve and in  
12 the unused portion of the term premium of the policy on the date of death of the  
13 decedent spouse. All other rights of the surviving spouse in the ownership interest  
14 or proceeds of the policy, other than the marital property interest described in this  
15 subsection, terminate at the decedent spouse’s death.

16           2. Notwithstanding s. 766.61 (7) and except as provided in sub. (6), if an insured  
17 spouse unlawfully and intentionally kills a noninsured spouse, the ownership  
18 interest at death of the decedent spouse in any policy with a marital property  
19 component that designates the surviving spouse as the owner and insured is a  
20 fractional interest equal to one-half of the portion of the policy that was marital  
21 property immediately before the death of the decedent spouse.

22           (c) *Deferred employment benefits.* Notwithstanding s. 766.62 (5) and except as  
23 provided in sub. (6), if the employee spouse unlawfully and intentionally kills the  
24 nonemployee spouse, the ownership interest at death of the decedent spouse in any  
25 deferred employment benefit, or in assets in an individual retirement account that

**SENATE BILL 625**

1 are traceable to the rollover of a deferred employment benefit plan, that has a marital  
2 property component and that is attributable to the employment of the surviving  
3 spouse is equal to one-half of the portion of the benefit or assets that was marital  
4 property immediately before the death of the decedent spouse.

5 (d) *Deferred marital property.* Except as provided in sub. (6), if the surviving  
6 spouse unlawfully and intentionally kills the decedent spouse, the estate of the  
7 decedent shall have the right to elect no more than 50 percent of the augmented  
8 deferred marital property estate, as determined under s. 861.02 (2), as though the  
9 decedent spouse were the survivor and the surviving spouse were the decedent. The  
10 court shall construe the provisions of ss. 861.03 to 861.11 as necessary to achieve the  
11 intent of this paragraph.

12 **SECTION 141.** 854.14 (5) (a) of the statutes is amended to read:

13 854.14 (5) (a) A final judgment establishing criminal accountability for the  
14 unlawful and intentional killing of the decedent conclusively establishes the  
15 convicted individual as the decedent's killer for purposes of this section and s. 861.02  
16 (8).

17 **SECTION 142.** 854.14 (5) (b) of the statutes is amended to read:

18 854.14 (5) (b) A final adjudication of delinquency on the basis of an unlawful  
19 and intentional killing of the decedent conclusively establishes the adjudicated  
20 individual as the decedent's killer for purposes of this section and s. 861.02 (8).

21 **SECTION 143.** 854.14 (5) (c) of the statutes is amended to read:

22 854.14 (5) (c) In the absence of a judgment establishing criminal accountability  
23 under par. (a) or an adjudication of delinquency under par. (b), the court, upon the  
24 petition of an interested person, shall determine whether, under based on the

**SENATE BILL 625****SECTION 143**

1 preponderance of the evidence standard, the killing of the decedent was unlawful  
2 and intentional for purposes of this section and s. 861.02 (8).

3 **SECTION 144.** 854.15 (1) (e) of the statutes is renumbered 854.01 (3) and  
4 amended to read:

5 854.01 (3) “Revocable~~,”~~” with respect to a disposition, provision, or  
6 nomination, means one under which the decedent, at the time of ~~the divorce,~~  
7 ~~annulment or similar event~~ referred to, was alone empowered, by law or under the  
8 governing instrument, to ~~cancel the designation in favor of the former spouse or~~  
9 ~~former spouse’s relative,~~ change or revoke, regardless of whether or not the decedent  
10 was then empowered to designate himself or herself in place of ~~the a former spouse~~  
11 ~~or the former spouse’s relative~~ designee, and regardless of whether or not the  
12 decedent then had the capacity to exercise the power.

13 **SECTION 145.** 854.15 (5) (intro.) of the statutes is renumbered 854.15 (5) (am)  
14 (intro.).

15 **SECTION 146.** 854.15 (5) (a), (b), (c), (d) and (e) of the statutes are renumbered  
16 854.15 (5) (am) 1., 2., 3., 4. and 5.

17 **SECTION 147.** 854.15 (5) (f) of the statutes is renumbered 854.15 (5) (bm) and  
18 amended to read:

19 854.15 (5) (bm) ~~There is a finding of the decedent’s contrary~~ If the transfer is  
20 made under a governing instrument and the person who executed the governing  
21 instrument had an intent contrary to any provision in this section, then that  
22 provision is inapplicable to the transfer. Extrinsic evidence may be used to construe  
23 ~~that~~ the intent.

24 **SECTION 148.** 854.17 of the statutes is amended to read:



**SENATE BILL 625**

1           ~~854.17 Classification; how determined~~ Marital property classification;  
2           ownership and division of marital property at death. In chs. 851 to 882,  
3           classification Classification of the property of a decedent spouse and surviving  
4           spouse is, and ownership and division of that property at the death of a spouse, are  
5           determined under ch. 766 and s. 861.01.

6           **SECTION 149.** 854.18 (1) (a) (intro.) of the statutes is amended to read:

7           854.18 (1) (a) (intro.) Except as provided in sub. (3) or in connection with the  
8           share of the surviving spouse who elects to take an elective share in deferred marital  
9           property deferred marital property elective share amount of a surviving spouse who  
10          elects under s. 861.02, ~~a~~ the share of a surviving spouse who takes under s. 853.11  
11          ~~(2) 853.12, or a~~ the share of a surviving child who takes under s. 853.25, shares of  
12          distributees abate, without any preference or priority as between real and personal  
13          property, in the following order:

14          **SECTION 150.** 854.18 (3) of the statutes is amended to read:

15          854.18 (3) If the governing instrument expresses an order of abatement, or if  
16          the decedent's transferor's estate plan or the ~~express or implied~~ purpose of the  
17          transfer, as expressed, implied, or construed through extrinsic evidence, would be  
18          defeated by the order of abatement under sub. (1), the shares of the distributees  
19          abate as necessary to give effect to the intention of the transferor.

20          **SECTION 151.** 854.20 (1) of the statutes is renumbered 854.20 (1) (a) and  
21          amended to read:

22          854.20 (1) (a) Subject to par. (b) and sub. (4) (5), a legally adopted person is  
23          treated as a birth child of the person's adoptive parents and the adoptive parents are  
24          treated as the birth parents of the adopted person for purposes of ~~intestate succession~~  
25          by transfers at death to, through, and from the adopted person and for purposes of

**SENATE BILL 625****SECTION 151**

1 any statute or other rule conferring rights upon children, issue, or relatives in  
2 connection with the law of intestate succession or governing instruments.

3 **SECTION 152.** 854.20 (2) (intro.) of the statutes is renumbered 854.20 (2) (am)  
4 (intro.) and amended to read:

5 854.20 (2) (am) (intro.) Subject to sub. (4) (5), a legally adopted person ceases  
6 to be treated as a child of the person's birth parents and the birth parents cease to  
7 be treated as the parents of the child for the same purposes as under specified in sub.  
8 (1) (a), except:

9 **SECTION 153.** 854.20 (2) (a) of the statutes is renumbered 854.20 (2) (am) 1. and  
10 amended to read:

11 854.20 (2) (am) 1. If ~~a birth parent marries or remarries and the parent-child~~  
12 relationship between the child is adopted by the stepparent, and one birth parent is  
13 replaced by adoption, but the relationship to the other birth parent is not replaced,  
14 then for all purposes the child is continues to be treated as the child of the birth  
15 parent whose spouse adopted the child relationship was not replaced.

16 **SECTION 154.** 854.20 (2) (am) 2. b. and c. of the statutes are created to read:

17 854.20 (2) (am) 2. b. Subd. 2. a. applies only if the adopted person was a minor  
18 at the time of adoption or if the adoptive parent raised the adopted person in a  
19 parent-like relationship beginning on or before the child's 15th birthday and lasting  
20 for a substantial period or until adulthood.

21 c. Subdivision 2. a. does not apply if the parental rights of the deceased birth  
22 parent had been terminated.

23 **SECTION 155.** 854.20 (2) (b) of the statutes is renumbered 854.20 (2) (am) 2. a.  
24 and amended to read:

**SENATE BILL 625**

1           854.20 (2) (am) 2. a. ~~If Subject to subd. 2. b. and c., if a birth parent of a marital~~  
2           child born to married parents dies and the other birth parent subsequently remarries  
3           and the child is adopted by the stepparent, the child is continues to be treated as the  
4           child of the deceased birth parent for purposes of inheritance transfers at death  
5           through that parent and for purposes of any statute or other rule conferring rights  
6           upon children, issue or relatives of that parent under the law of intestate succession  
7           or governing instruments.

8           **SECTION 156.** 854.20 (3) of the statutes is renumbered 854.20 (2) (bm) and  
9           amended to read:

10           854.20 (2) (bm) *Sequential adoption.* Subject to sub. (4) (5), if an adoptive  
11           parent dies ~~or his or her parental rights are terminated in a legal proceeding and the~~  
12           adopted child is subsequently adopted by another person, the former adoptive parent  
13           is considered to be a birth parent for purposes of this ~~section~~ subsection.

14           **SECTION 157.** 854.20 (4) of the statutes is renumbered 854.20 (1) (b), and 854.20  
15           (1) (b) (intro.) and 3., as renumbered, are amended to read:

16           854.20 (1) (b) *Applicability.* (intro.) ~~Subsections (1), (2) and (3) apply~~ Subject  
17           to sub. (5), par. (a) applies only if at least one of the following applies:

18           3. The adoptive parent raised the adopted person was raised as a member of  
19           ~~the household by the adoptive parent from~~ in a parent-like relationship beginning  
20           on or before the child's 15th birthday or before and lasting for a substantial period  
21           or until adulthood.

22           **SECTION 158.** 854.20 (5) of the statutes is amended to read:

23           854.20 (5) **CONTRARY INTENT.** ~~This section does not apply if~~ If the transfer is  
24           made under a governing instrument and ~~there is a finding of contrary intent of the~~  
25           person who executed the governing instrument had an intent contrary to any

**SENATE BILL 625****SECTION 158**

1 provision in this section, then that provision is not applicable to the transfer.  
2 Extrinsic evidence may be used to construe that the intent.

3 **SECTION 159.** 854.21 (1) (a) (intro.) of the statutes is renumbered 854.21 (1) (a)  
4 and amended to read:

5 854.21 (1) (a) Except as provided in ~~par. (b) or~~ sub. (7), a gift of property by a  
6 governing instrument to a class of persons described as “issue,” “lawful issue,”  
7 “children,” “grandchildren,” “descendants,” “heirs,” “heirs of the body,” “next of kin,”  
8 “distributees,” or the like includes a person adopted by a person whose birth child  
9 would be a member of the class, and issue of the adopted person, if the conditions for  
10 membership in the class are otherwise satisfied and ~~any of the following applies:~~ at  
11 least one of the criteria under s. 854.20 (1) (b) 1., 2., and 3. is satisfied.

12 **SECTION 160.** 854.21 (1) (a) 1., 2. and 3. of the statutes are repealed.

13 **SECTION 161.** 854.21 (1) (b) of the statutes is amended to read:

14 854.21 (1) (b) Except as provided in sub. (7), a gift ~~under par. (a) of property by~~  
15 a governing instrument to a class of persons described as “issue,” “lawful issue,”  
16 “children,” “grandchildren,” “descendants,” “heirs,” “heirs of the body,” “next of kin,”  
17 “distributees,” or the like excludes a birth child and his or her issue otherwise within  
18 the class if the birth child has been adopted and would cease to be treated as a child  
19 of the birth parent under s. 854.20 (2).

20 **SECTION 162.** 854.21 (7) of the statutes is amended to read:

21 854.21 (7) CONTRARY INTENT. ~~This section does not apply if~~ If the transfer is  
22 made under a governing instrument and ~~there is a finding of contrary intent of the~~  
23 person who executed the governing instrument had an intent contrary to any  
24 provision in this section, then that provision is inapplicable to the transfer. Extrinsic  
25 evidence may be used to construe that the intent.

**SENATE BILL 625**

1           **SECTION 163.** 854.22 (4) of the statutes is amended to read:

2           854.22 (4) ~~CONTRARY INTENT. This section does not apply if~~ If the transfer is  
3           made under a governing instrument and ~~there is a finding of contrary intent of the~~  
4           person who executed the governing instrument had an intent contrary to any  
5           provision in this section, then that provision is inapplicable to the transfer. Extrinsic  
6           evidence may be used to construe ~~that~~ the intent.

7           **SECTION 164.** 854.23 (1) of the statutes is amended to read:

8           854.23 (1) DEFINITION. In this section, “governing instrument” includes an  
9           instrument described in s. 854.01, a filed verified statement under s. 865.201, a  
10          certificate under s. 867.046 (1m), a confirmation under s. 867.046 (2), or a recorded  
11          application under s. 867.046 (5).

12          **SECTION 165.** 856.05 (5) of the statutes is amended to read:

13          856.05 (5) APPLICABILITY OF SECTION. This section applies to wills, ~~codicils,~~  
14          ~~documents incorporated by reference under s. 853.32 (1) or (2)~~ and information  
15          needed for proof of a lost missing will under s. 856.17.

16          **SECTION 166.** 856.15 (1) of the statutes is amended to read:

17          856.15 (1) GENERALLY. The court may grant probate of an uncontested will on  
18          the execution in open court by one of the subscribing witnesses of a sworn statement  
19          that the will was executed as required by the statutes and that the testator was of  
20          sound mind, of full age, and not acting under any restraint at the time of the  
21          execution thereof. If an uncontested will contains an attestation clause showing  
22          compliance with the requirements for execution under s. 853.03 or 853.05 or includes  
23          an affidavit in substantially the form under s. 853.04 (1) or (2), the court may grant  
24          probate without any testimony or other evidence.

25          **SECTION 167.** 856.16 of the statutes is repealed and recreated to read:

**SENATE BILL 625****SECTION 167**

1           **856.16 Self-proved will.** (1) Unless there is proof of fraud or forgery in  
2 connection with the affidavit, if a will includes an affidavit in substantially the form  
3 under s. 853.04 (1) or (2), all of the following apply:

4           (a) The will is conclusively presumed to have been executed in compliance with  
5 s. 853.03.

6           (b) Other requirements related to the valid execution of the will are rebuttably  
7 presumed.

8           (c) A signature affixed to the affidavit is considered a signature affixed to the  
9 will, if necessary to prove the due execution of the will.

10          (2) Admission of a will under s. 856.13 or 856.15 is not dependent on the  
11 existence of a valid affidavit under s. 853.04.

12          **SECTION 168.** 856.17 of the statutes is amended to read:

13          **856.17 Lost Missing will, how proved.** If any will is lost, destroyed by  
14 accident ~~or~~, destroyed without the testator's consent, unavailable but revived under  
15 s. 853.11 (6), or otherwise missing, the court has power to take proof of the execution  
16 and validity of the will and to establish the same. The petition for the probate of the  
17 will shall set forth the provisions ~~thereof~~ of the will.

18          **SECTION 169.** 857.03 (2) of the statutes is renumbered 766.31 (3) (b) 3., and  
19 766.31 (3) (b) 3. (intro.) and a., as renumbered, are amended to read:

20          766.31 (3) (b) 3. (intro.) The surviving spouse and a distributee who is a  
21 successor in interest to all or part of the decedent's one-half interest in marital  
22 property may petition the court to approve an exchange of interests in the marital  
23 property authorized under subd. 1. or 2., but court approval of the exchange is not  
24 required for the agreement under subd. 1. or 2. to be effective. If the court approves  
25 the exchange, the ~~personal representative~~ surviving spouse and the distributee shall

**SENATE BILL 625**

1 exchange their respective interests in 2 or more items of marital property and  
2 distribute the items in a manner to conform with the exchange. The exchange shall:

3 a. Occur before the final distribution of the estate assets under the governing  
4 instrument;

5 **SECTION 170.** 857.03 (2m) of the statutes is created to read:

6 857.03 **(2m)** The surviving spouse and the personal representative may  
7 petition the court to approve an exchange of interests in marital property as provided  
8 in s. 766.31 (3) (b) 3.

9 **SECTION 171.** 859.01 of the statutes is amended to read:

10 **859.01 Time for filing claims.** When an application for administration is  
11 filed, the court, or the probate registrar under informal administration proceedings,  
12 shall by order set a date as the deadline for filing a claim against the decedent's  
13 estate. The date shall be not less than 3 nor more than 4 months from the date of the  
14 order. If a claim is not filed by the deadline, the consequences provided in s. 859.02  
15 apply.

16 **SECTION 172.** 859.02 (2m) of the statutes is created to read:

17 859.02 **(2m)** (a) A claim based on a tort is subject to s. 859.45.

18 (b) A claim of a creditor without notice is subject to s. 859.48.

19 **SECTION 173.** 861.01 (3) of the statutes is renumbered 766.31 (7m) and  
20 amended to read:

21 766.31 **(7m)** PERSONAL INJURY DAMAGES; LOST EARNINGS. To the extent that  
22 marital property includes damages for loss of future income arising from a personal  
23 injury claim of ~~the~~ a surviving spouse, the surviving spouse is entitled to receive as  
24 individual property that portion of the award that represents an income substitute  
25 after the death of the other spouse.





**SENATE BILL 625**

1 in another jurisdiction. It includes all types of property that fall within any of the  
2 following categories:

3 **SECTION 180.** 861.02 (4) of the statutes is amended to read:

4 861.02 (4) SATISFACTION. Satisfaction of the augmented deferred marital  
5 property elective share amount is governed by ss. 861.06, 861.07, and 861.11,  
6 irrespective of where the property was acquired, where the property was located at  
7 the time of a relevant transfer, or where the property is currently located, including  
8 real property located in another jurisdiction.

9 **SECTION 181.** 861.02 (6) of the statutes is amended to read:

10 861.02 (6) WAIVER. Waiver of the deferred marital property elective share  
11 amount is governed by s. 861.10.

12 **SECTION 182.** 861.02 (7) (b) of the statutes is amended to read:

13 861.02 (7) (b) If a decedent who is not domiciled in this state owns real property  
14 in this state, the ~~right~~ rights of the surviving spouse ~~to take an elective share in that~~  
15 ~~property is~~ are governed by s. 861.20.

16 **SECTION 183.** 861.02 (8) of the statutes is repealed and recreated to read:

17 861.02 (8) EFFECT IF DEATH CAUSED BY SPOUSE. Section 854.14 (2) (c) and (3m)  
18 (d) applies to election of deferred marital property if the decedent's surviving spouse  
19 unlawfully and intentionally killed the decedent.

20 **SECTION 184.** 861.04 (2) of the statutes is repealed.

21 **SECTION 185.** 861.04 (2m) of the statutes is created to read:

22 861.04 (2m) When the surviving spouse is treated as the decedent under sub.  
23 (1), the decedent is not treated as the surviving spouse for the purposes of s. 861.05  
24 (1) (e) or (2m).

25 **SECTION 186.** 861.05 (1) (c) of the statutes is amended to read:

**SENATE BILL 625****SECTION 186**

1           861.05 (1) (c) Transfers of deferred marital property to persons other than the  
2 surviving spouse who did not make the transfer, with the written joinder or written  
3 consent of ~~the surviving~~ that spouse.

4           **SECTION 187.** 861.05 (1) (e) of the statutes is created to read:

5           861.05 (1) (e) The deferred marital property component of any deferred  
6 employment benefit plan, or of assets in an individual retirement account that are  
7 traceable to the rollover of a deferred employment benefit plan, held by the surviving  
8 spouse that would have terminated under s. 766.62 (5) had it been marital property.

9           **SECTION 188.** 861.05 (2) (title) of the statutes is amended to read:

10           861.05 (2) (title) VALUATION OF DECEDENT'S PROPERTY AND TRANSFERS.

11           **SECTION 189.** 861.05 (2m) of the statutes is created to read:

12           861.05 (2m) VALUATION OF SURVIVING SPOUSE'S PROPERTY AND TRANSFERS. The  
13 surviving spouse's property included in the augmented deferred marital property  
14 estate under s. 861.04 (1) is valued in the same manner as the decedent spouse's  
15 property included in the augmented deferred marital property estate is valued under  
16 sub. (2), subject to the following:

17           (a) The surviving spouse shall be treated as having died after the decedent on  
18 the date of the decedent's death notwithstanding the 120-hour survival requirement  
19 under s. 854.03 (1).

20           (b) Life insurance on the surviving spouse's life shall have the value of the  
21 deferred marital property component of the interpolated terminal reserve and the  
22 unused portion of the term premium of the policy as of the date of the decedent's  
23 death.

24           **SECTION 190.** 861.06 (title) of the statutes is amended to read:

**SENATE BILL 625**

1           **861.06** (title) **Satisfaction of deferred marital property elective share**  
2           **amount.**

3           **SECTION 191.** 861.06 (2) (title) of the statutes is amended to read:

4           861.06 **(2)** (title) INITIAL SATISFACTION OF DEFERRED MARITAL PROPERTY ELECTIVE  
5           SHARE AMOUNT.

6           **SECTION 192.** 861.06 (2) (b) (intro.) of the statutes is amended to read:

7           861.06 **(2)** (b) (intro.) All marital, individual, deferred marital, or deferred  
8           individual property, transferred to the surviving spouse, including any beneficial  
9           interest in property transferred in trust:

10          **SECTION 193.** 861.06 (2) (b) 4. a. of the statutes is amended to read:

11          861.06 **(2)** (b) 4. a. The first \$5,000 of the value of the gifts from the decedent  
12          to the surviving spouse each year. Each gift shall be valued as of the date of the gift.

13          **SECTION 194.** 861.06 (6) of the statutes is created to read:

14          861.06 **(6)** VALUATION. The value of property used to satisfy the deferred marital  
15          property elective share includes the value of any property transferred outright to the  
16          surviving spouse, the commuted value of any present or future interest in property  
17          transferred to the surviving spouse, and the commuted value of property payable to  
18          the surviving spouse under any trust, life insurance settlement option, annuity  
19          contract, public or private pension, disability compensation, death benefit or  
20          retirement plan, or any similar arrangement.

21          **SECTION 195.** 861.07 (2) (intro.) of the statutes is amended to read:

22          861.07 **(2)** PERSONS LIABLE. (intro.) The following persons are liable to make  
23          a prorated contribution toward satisfaction of the surviving spouse's deferred  
24          marital property elective share amount:

25          **SECTION 196.** 861.10 (1) of the statutes is amended to read:

**SENATE BILL 625****SECTION 196**

1           861.10 (1) RIGHT TO ELECT MAY BE WAIVED. The right to elect a deferred marital  
2 property elective share amount may be waived by the surviving spouse in whole or  
3 in part. The waiver may take place before or after marriage. The waiver shall must  
4 be contained in a marital property agreement that is enforceable under s. 766.58 or  
5 in a signed document filed with a court described in s. 861.08 (1) (a) after the  
6 decedent's death.

7           **SECTION 197.** 861.10 (2) of the statutes is amended to read:

8           861.10 (2) WAIVER OF "ALL RIGHTS". Unless the waiver provides otherwise, a  
9 waiver of "all rights", or equivalent language, in the property or estate of a present  
10 or prospective spouse, or in a complete property settlement entered into because of  
11 separation or divorce, is a waiver of all rights in the deferred marital property  
12 elective share amount.

13           **SECTION 198.** 861.11 (2) (a) (intro.) of the statutes is amended to read:

14           861.11 (2) (a) (intro.) Upon a beneficiary's request for payment, a payer or other  
15 3rd party who has received satisfactory proof of the decedent's death and who has not  
16 received written notice that the surviving spouse or his or her representative intends  
17 to file a petition for the deferred marital property elective share amount or that a  
18 petition for the election has been filed is not liable for any of the following:

19           **SECTION 199.** 861.11 (2) (b) of the statutes is amended to read:

20           861.11 (2) (b) A payer or other 3rd party is liable for payments made or other  
21 actions taken after receipt of written notice of the intent to file a petition for the  
22 elective share amount or written notice that a petition for the elective share amount  
23 has been filed.

24           **SECTION 200.** 861.11 (5) (b) of the statutes is amended to read:

**SENATE BILL 625**

1           861.11 (5) (b) Notwithstanding sub. (2), in addition to the protections afforded  
2 a financial institution under ss. 701.19 (11) and 710.05 and chs. 112 and 705 a  
3 financial institution is not liable for having transferred an account included in the  
4 augmented deferred marital property estate under s. 861.03 to a beneficiary  
5 designated in a governing instrument, or for having taken any other action in  
6 reliance on the beneficiary's apparent entitlement under the terms of a governing  
7 instrument, regardless of whether the financial institution received written notice  
8 of an intent to file, or the filing of, a petition for the deferred marital property elective  
9 share amount.

10           **SECTION 201.** 861.17 (3) of the statutes is amended to read:

11           861.17 (3) If the spouse is successful in an action to reach fraudulent property  
12 arrangements, recovery is limited to the share amount the spouse would receive  
13 under ch. 852 and this chapter. Other rules of this chapter apply so far as possible.  
14 ~~Recovery~~ A spouse who recovers under this subsection forfeits any power of  
15 appointment which that the surviving spouse possesses over the remaining portion  
16 of the fraudulently arranged property, except a special power.

17           **SECTION 202.** 861.20 (2) of the statutes is amended to read:

18           861.20 (2) If a married person who does not have a domicile in this state dies  
19 and has an interest in real property in this state that is subject to administration but  
20 not disposed of by will, the surviving spouse has the same right to the property under  
21 intestate succession as if the property were located in the decedent's domicile at  
22 decedent's death.

23           **SECTION 203.** 861.21 (1) (a) of the statutes is amended to read:

24           861.21 (1) (a) "Governing instrument" has the meaning given in s. 854.01 (2).

25           **SECTION 204.** 861.21 (2) of the statutes is amended to read:

**SENATE BILL 625****SECTION 204**

1           861.21 (2) ~~IF MARITAL~~ DECEDENT'S PROPERTY INTEREST IN HOME. Subject to subs.  
2 (4) and (5), if a married decedent has a marital property interest in a home, the  
3 decedent's entire interest in the home shall be assigned to the surviving spouse if the  
4 surviving spouse petitions the court requesting such a distribution and if a governing  
5 instrument does not provide a specific transfer of the decedent's interest in the home  
6 to someone other than the surviving spouse. The surviving spouse shall file the  
7 petition within 6 months after the decedent's death, unless the court extends the  
8 time for filing.

9           **SECTION 205.** 861.21 (3) of the statutes is repealed.

10          **SECTION 206.** 861.21 (4) of the statutes is amended to read:

11          861.21 (4) PAYMENT BY SURVIVING SPOUSE. The court shall assign the interest in  
12 the home under sub. (2) to the surviving spouse upon payment of the value of the  
13 decedent's interest in the home that does not pass to the surviving spouse under  
14 intestacy or under ~~the~~ a governing instrument. Payment shall be made to the  
15 fiduciary holding title to the interest. The surviving spouse may use assets due him  
16 or her from the fiduciary to satisfy all or part of the payment in kind. Unless the court  
17 extends the time, the surviving spouse shall have one year from the decedent's death  
18 to pay the value of the assigned interest.

19          **SECTION 207.** 861.21 (5) of the statutes is amended to read:

20          861.21 (5) SEVERANCE OF HOME FROM SURROUNDING LAND. On petition of the  
21 surviving spouse or of any interested person that part of the land is not necessary for  
22 dwelling purposes and that it would be inappropriate to assign all of the surrounding  
23 land as the home under sub. (2), the court may set off for the home as much of the  
24 land as is necessary for a dwelling. In determining how much land should be set off,

**SENATE BILL 625**

1 the court shall take into account the use and marketability of the parcels set off as  
2 the home and the remaining land.

3 **SECTION 208.** 861.31 (1c) of the statutes is repealed.

4 **SECTION 209.** 861.31 (1m) of the statutes is amended to read:

5 861.31 **(1m)** The court may, without notice or on such notice as the court  
6 directs, order payment by the personal representative or special administrator of an  
7 allowance as ~~it~~ the court determines necessary or appropriate for the support of the  
8 surviving spouse and any dependent minor children of the decedent during the  
9 administration of the estate. ~~In making or denying the order the~~ The court shall  
10 consider the size of the probate estate, other resources available for support, the  
11 existing standard of living, and any other factors it considers relevant.

12 **SECTION 210.** 861.31 (2) of the statutes is amended to read:

13 861.31 **(2)** The court may order that an allowance may be made to the spouse  
14 for support of the spouse and any dependent minor children of the decedent, or that  
15 separate allowances may be made to the spouse and to the dependent minor children  
16 of the decedent or their guardian, if any, if the court finds separate allowances  
17 advisable. If there is no surviving spouse, the court may order that an allowance may  
18 be made to the dependent minor children of the decedent or to their guardian, if any.

19 **SECTION 211.** 861.31 (4) (intro.) of the statutes is amended to read:

20 861.31 **(4)** (intro.) The court may ~~direct~~ order that the allowance be charged  
21 against income or principal, either as an advance or otherwise, but ~~in no event may~~  
22 the court may not order that an allowance for support of dependent minor children  
23 of the decedent be charged against the income or principal interest of the surviving  
24 spouse. The court may ~~direct~~ order that the allowance for support of the surviving

**SENATE BILL 625****SECTION 211**

1 spouse, not including any allowance for support of dependent minor children of the  
2 decedent, be applied in satisfaction of any of the following:

3 **SECTION 212.** 861.31 (4) (a) of the statutes is amended to read:

4 861.31 (4) (a) Any entitlement of the surviving spouse under s. ~~853.11 (2)~~  
5 853.12.

6 **SECTION 213.** 861.33 (title) of the statutes is amended to read:

7 **861.33 (title) Selection of personalty by surviving spouse ~~or children~~.**

8 **SECTION 214.** 861.33 (1) (a) (intro.) of the statutes is amended to read:

9 861.33 (1) (a) (intro.) Subject to this section, in addition to all allowances and  
10 distributions, the surviving spouse, ~~or if there is no surviving spouse the decedent's~~  
11 ~~children~~, may file with the court a written selection of the following personal  
12 property, which shall ~~thereupon~~ then be transferred to the spouse ~~or children~~ by the  
13 personal representative:

14 **SECTION 215.** 861.33 (1) (b) of the statutes is amended to read:

15 861.33 (1) (b) The selection in par. (a) may not include items specifically  
16 bequeathed except that the surviving spouse ~~or children~~ may in every case select the  
17 normal household furniture, furnishings, and appliances necessary to maintain the  
18 home. For this purpose antiques, family heirlooms, and collections which that are  
19 specifically bequeathed are not classifiable as normal household furniture or  
20 furnishings.

21 **SECTION 216.** 861.33 (1) (c) of the statutes is repealed.

22 **SECTION 217.** 861.33 (2) of the statutes is amended to read:

23 861.33 (2) If it appears that claims may not be paid in full, the court may, upon  
24 petition of any creditor, limit the transfer of personalty to the spouse ~~or children~~  
25 under this section to items not exceeding \$5,000 in aggregate inventory value until



**SENATE BILL 625**

1 such time as the claims are paid in full or the court otherwise orders; or the court  
2 may require the spouse ~~or children~~ to retransfer property in excess of \$5,000 or, at  
3 the option of the spouse ~~or children~~, pay the excess in value over this amount.

4 **SECTION 218.** 861.33 (3) of the statutes is amended to read:

5 861.33 (3) The surviving spouse ~~or children~~ may select items not specifically  
6 bequeathed of the type specified under sub. (1) (a) 4. exceeding in value the \$3,000  
7 limit or obtain the transfer of items exceeding the limit set by the court under sub.  
8 (2), by paying to the personal representative the excess of inventory value over the  
9 respective limit.

10 **SECTION 219.** 861.33 (4) of the statutes is amended to read:

11 861.33 (4) ~~Subject to sub. (1) (c), the~~ The personal representative has power,  
12 without court order, to execute appropriate documents to effect transfer of title to any  
13 personal property ~~selected by the spouse or children~~ selects under this section. A  
14 person may not question the validity of the documents of transfer or refuse to  
15 accomplish the transfer on the grounds that the personal representative is also the  
16 surviving spouse ~~or the only child~~ of the decedent.

17 **SECTION 220.** 861.35 (title) of the statutes is amended to read:

18 **861.35 (title) Special allowance for support of spouse and support and**  
19 **education of dependent minor children.**

20 **SECTION 221.** 861.35 (1c) of the statutes is repealed.

21 **SECTION 222.** 861.35 (1m) (intro.) of the statutes is amended to read:

22 861.35 (1m) (intro.) If the decedent is survived by a spouse or by minor  
23 children, the court may order an allowance for the support and education of each  
24 dependent minor child until he or she reaches a specified age, not to exceed 18, and  
25 for the support of the spouse. This allowance may be made whether the estate is

**SENATE BILL 625****SECTION 222**

1       testate or intestate. If the decedent is not survived by a spouse, the court also may  
2       allot directly to ~~any of the dependent~~ the minor children household furniture,  
3       furnishings, and appliances. ~~No~~ The court may not order an allowance may be made  
4       under this section if any of the following ~~apply~~ applies:

5               **SECTION 223.** 861.35 (1m) (a) of the statutes is amended to read:

6               861.35 **(1m)** (a) The decedent has amply provided for each minor child and for  
7       the spouse by the ~~terms of his or her will and the estate is sufficient to carry out the~~  
8       ~~terms after payment of all debts and expenses~~ transfer of probate or nonprobate  
9       assets, or support and education have been provided for by any other means.

10              **SECTION 224.** 861.35 (1m) (b) of the statutes is amended to read:

11              861.35 **(1m)** (b) In the case of ~~dependent~~ minor children, if the surviving spouse  
12       is legally responsible for support and education and has ample means to provide  
13       them in addition to his or her own support.

14              **SECTION 225.** 861.35 (1m) (c) of the statutes is amended to read:

15              861.35 **(1m)** (c) In the case of the surviving spouse, if he or she has ample means  
16       to provide for his or her support.

17              **SECTION 226.** 861.35 (2) of the statutes is amended to read:

18              861.35 **(2)** The court may set aside property to provide an allowance and may  
19       appoint a trustee to administer the property, subject to the continuing jurisdiction  
20       of the court. If a child dies or reaches the age of 18, or if at any time the property held  
21       by the trustee is no longer required for the support of the spouse or the support and  
22       education of ~~any dependent~~ the minor child, any remaining property is to be  
23       distributed by the trustee as ~~directed by the court~~ orders in accordance with the  
24       terms of the decedent's will or to the heirs of the decedent in intestacy or to satisfy  
25       unpaid claims of the decedent's estate.

**SENATE BILL 625**

1           **SECTION 227.** 861.35 (3) (a) of the statutes is amended to read:

2           861.35 (3) (a) The effect on claims under s. 859.25. The court shall balance the  
3 needs of the spouse or ~~dependent~~ minor children against the nature of the creditors'  
4 claims in setting the amount allowed under this section.

5           **SECTION 228.** 861.35 (4) (intro.) of the statutes is amended to read:

6           861.35 (4) (intro.) The court may ~~direct~~ order that the allowance to the  
7 surviving spouse, not including any allowance for the support and education of  
8 ~~dependent~~ minor children, be applied in satisfaction of any of the following:

9           **SECTION 229.** 861.35 (4) (a) of the statutes is amended to read:

10           861.35 (4) (a) Any entitlement of the surviving spouse under s. ~~853.11 (2)~~  
11 853.12.

12           **SECTION 230.** 863.08 of the statutes is amended to read:

13           **863.08 Exchange by distributee and surviving spouse.** In its final  
14 judgment or other order, the court shall assign items to the surviving spouse and  
15 distributee to conform with the exchange under s. ~~857.03 (2)~~ 766.31 (3) (b) to the  
16 extent that the court approved the exchange.

17           **SECTION 231.** 863.15 of the statutes is amended to read:

18           **863.15 Right of retention Debts to estate.** ~~When If a distributee of an estate~~  
19 ~~is indebted to the estate, the amount of the indebtedness if due, or the present worth~~  
20 ~~of the indebtedness, if not due, shall be treated as an offset by the personal~~  
21 ~~representative against property of the estate to which the distributee is entitled. In~~  
22 ~~contesting the offset the distributee shall have the benefit of any defense which~~  
23 ~~would be available to the distributee in a direct proceeding by the personal~~  
24 ~~representative for the recovery treatment of the debt is governed by s. 854.12.~~

25           **SECTION 232.** 865.07 (1) (d) of the statutes is amended to read:

**SENATE BILL 625****SECTION 232**

1           865.07 (1) (d) The decedent died intestate or testate, and, if testate, whether  
2 the original will is in the possession of the court or accompanies the application and,  
3 contains an attestation clause showing compliance with the requirements of  
4 execution under s. 853.03 or 853.05 or includes an affidavit in substantially the form  
5 under s. 853.04 (1) or (2), and does not expressly prohibit informal administration;

6           **SECTION 233.** 867.01 (3) (am) 2. of the statutes is amended to read:

7           867.01 (3) (am) 2. A detailed statement of all property in which the decedent  
8 had an interest, property over which the decedent had a power of appointment,  
9 benefits payable on the decedent's death under annuities or under a retirement plan,  
10 life insurance, joint and life tenancies, gifts made in contemplation of death or taking  
11 effect upon death or made within 2 years prior to death and any other property that  
12 may be subject to death taxes as a result of the decedent's death subject to  
13 administration, including any encumbrance, lien, or other charge upon each item.

14           **SECTION 234.** 867.02 (2) (am) 3. of the statutes is amended to read:

15           867.02 (2) (am) 3. A detailed statement of all property in which the decedent  
16 had an interest, property over which the decedent had a power of appointment,  
17 benefits payable on decedent's death under annuities or under a retirement plan, life  
18 insurance, joint and life tenancies, gifts made in contemplation of death or taking  
19 effect upon death or made within 2 years prior to death and any other property which  
20 may be subject to death tax as a result of decedent's death subject to administration,  
21 including any encumbrance, lien, or other charge upon each item.

22           **SECTION 235.** 867.03 (1g) (intro.) of the statutes is amended to read:

23           867.03 (1g) **GENERALLY.** (intro.) When a decedent leaves solely owned property  
24 subject to administration in this state which does not exceed \$20,000 \$50,000 in  
25 value, any heir of the decedent, trustee of a revocable trust created by the decedent,

**SENATE BILL 625**

1 or person who was guardian of the decedent at the time of the decedent's death may  
2 collect any money due the decedent, receive the property of the decedent, and have  
3 any evidence of interest, obligation to, or right of the decedent transferred to the  
4 affiant if the heir, trustee, or guardian provides to the person owing the money,  
5 having custody of the property, or acting as registrar or transfer agent of the  
6 evidences of interest, obligation to, or right, or, if the property is an interest in or lien  
7 on real property, provides to the register of deeds preliminary to the recording  
8 required under sub. (2m), proof of prior mailed notice under sub. (1m) if applicable  
9 and an affidavit in duplicate showing all of the following:

10 **SECTION 236.** 867.03 (1g) (b) of the statutes is amended to read:

11 867.03 (1g) (b) The total value of the decedent's property subject to  
12 administration in this state at the date of decedent's death.

13 **SECTION 237.** 867.03 (1m) (a) of the statutes is amended to read:

14 867.03 (1m) (a) Whenever an heir, trustee, or person who was guardian of the  
15 decedent at the time of the decedent's death intends to transfer a decedent's property  
16 by affidavit under sub. (1g) and the decedent or the decedent's spouse ever received  
17 the family care benefit under s. 46.286, medical assistance under subch. IV of ch. 49,  
18 long-term community support services funded under s. 46.27 (7) or aid under s.  
19 49.68, 49.683 or 49.685, the heir, trustee, or person who was guardian of the decedent  
20 at the time of the decedent's death shall give notice to the department of health and  
21 family services of his or her intent. The notice shall include the information in the  
22 affidavit under sub. (1g) and the heir, trustee, or person who was guardian of the  
23 decedent at the time of the decedent's death shall give the notice by certified mail,  
24 return receipt requested.

25 **SECTION 238.** 867.03 (1m) (b) of the statutes is amended to read:

**SENATE BILL 625****SECTION 238**

1           867.03 (1m) (b) An heir, trustee, or person who was guardian of the decedent  
2           at the time of the decedent's death who files an affidavit under sub. (1g) that states  
3           that the decedent or the decedent's spouse received the family care benefit under s.  
4           46.286, medical assistance under subch. IV of ch. 49, long-term community support  
5           services funded under s. 46.27 (7), or aid under s. 49.68, 49.683, or 49.685 shall attach  
6           to the affidavit the proof of mail delivery of the notice required under par. (a) showing  
7           a delivery date that is not less than 10 days before the day on which the heir, trustee,  
8           or person who was guardian of the decedent at the time of the decedent's death files  
9           the affidavit.

10           **SECTION 239.** 867.03 (2) of the statutes is amended to read:

11           867.03 (2) RELEASE OF LIABILITY OF TRANSFEROR. Upon the transfer to the heir,  
12           trustee, or person who was guardian of the decedent at the time of the decedent's  
13           death furnishing the affidavit with an attached proof of mail delivery if required  
14           under sub. (1m) (b), the transferor is released to the same extent as if the transfer  
15           had been made to the personal representative of the estate of the decedent.

16           **SECTION 240.** 867.03 (2g) of the statutes is created to read:

17           867.03 (2g) OBLIGATION OF AFFIANT. By accepting the decedent's property under  
18           this section the heir, trustee, or guardian assumes a duty to apply the property  
19           transferred for the payment of obligations according to priorities established under  
20           s. 859.25 and to distribute any balance to those persons designated in the  
21           appropriate governing instrument, as defined in s. 854.01, of the decedent or if there  
22           is no governing instrument, according to the rules of intestate succession under ch.  
23           852. An heir or guardian may publish a notice to creditors in the same manner and  
24           with the same effect as a trustee under s. 701.065. This subsection does not prohibit

**SENATE BILL 625**

1 any appropriate person from requesting administration of the decedent's estate  
2 under s. 856.07 or ch. 865.

3 **SECTION 241.** 867.035 (1) (a) 4. of the statutes is amended to read:

4 867.035 (1) (a) 4. The value of the ~~solely-owned~~ property subject to  
5 administration in this state left by the decedent, after payment of burial costs, does  
6 not exceed the amount under s. 867.03 (1g) (intro.).

7 **SECTION 242.** 867.045 (1) (intro.) of the statutes is amended to read:

8 867.045 (1) (intro.) Upon the death of any person having an interest as a joint  
9 tenant or life tenant in any real property or in the vendor's interest in a land contract  
10 or a mortgagee's interest in a mortgage, ~~the surviving joint tenant or remainderman~~  
11 any person interested in the property may obtain evidence of the termination of that  
12 interest of the decedent by providing to the register of deeds of the county in which  
13 such property is located a certified copy of the death certificate for the decedent and  
14 by providing, on applications supplied by the register of deeds for that purpose, the  
15 name and address of the decedent and of the surviving joint tenant or ~~remainderman~~  
16 and remainder beneficiary, the date of the decedent's death, and the applicant's  
17 interest in the property. ~~The surviving joint tenant or remainderman~~ applicant shall  
18 provide to the register of deeds the following information:

19 **SECTION 243.** 867.045 (2) of the statutes is amended to read:

20 867.045 (2) The register of deeds or other person authorized under s. 706.06  
21 or 706.07 shall complete a statement at the foot of the application, declaring that the  
22 ~~surviving joint tenant or remainderman~~ applicant appeared before him or her and  
23 verified, under oath, the correctness of the information required by sub. (1).

24 **SECTION 244.** 867.045 (4) of the statutes is amended to read:

**SENATE BILL 625****SECTION 244**

1           867.045 (4) Upon the recording, the application shall be presumed to be  
2 evidence of the facts recited and shall terminate the joint tenancy or life estate, all  
3 with the same force and effect as if issued by the court assigned to exercise probate  
4 jurisdiction for the county of domicile of the decedent under s. 867.04. This  
5 application shall not constitute evidence of payment of any death tax which may be  
6 due, the payment for which shall remain an obligation of the surviving joint tenant  
7 or remainderman remainder beneficiary.

8           **SECTION 245.** 867.046 (1m) of the statutes is amended to read:

9           867.046 (1m) UPON DEATH; GENERALLY. If a domiciliary of this state dies who  
10 immediately prior to death had an interest in property in this state, including an  
11 interest in survivorship marital property or an interest in property passing under s.  
12 705.20 (1), or if a person not domiciled in this state dies having an interest in property  
13 in this state, including an interest in survivorship marital property or an interest in  
14 property passing under s. 705.20 (1), upon petition of the decedent's spouse ~~or upon~~  
15 ~~petition of~~, a beneficiary of a marital property agreement, or a beneficiary of a  
16 transfer under s. 705.20 (1) to the court of the county of domicile of the decedent or,  
17 if the decedent was not domiciled in this state, of any county where the property is  
18 situated, the court shall issue a certificate under the seal of the court. The certificate  
19 shall set forth the fact of the death of the decedent, the termination or transfer of the  
20 decedent's interest in the property, the interest of the petitioner in the property and  
21 any other facts essential to a determination of the rights of persons interested. The  
22 certificate is prima facie evidence of the facts recited, and if the certificate relates to  
23 an interest in real property or to a debt secured by an interest in real property, the  
24 petitioner shall record a certified copy or duplicate original of the certificate in the



**SENATE BILL 625**

1 office of the register of deeds in each county in this state in which the real property  
2 is located.

3 **SECTION 246.** 867.046 (2) (intro.) of the statutes is amended to read:

4 867.046 (2) UPON DEATH; INTEREST IN PROPERTY. (intro.) As an alternative to sub.  
5 (1m), upon the death of any person having an interest in any real property, a vendor's  
6 interest in a land contract, an interest in a savings or checking account, an interest  
7 in a security ~~or~~, a mortgagee's interest in a mortgage, or an interest in property  
8 passing under s. 705.20 (1), including an interest in survivorship marital property,  
9 the decedent's spouse ~~or~~, a beneficiary of a marital property agreement, or a  
10 beneficiary of a transfer under s. 705.20 (1) may obtain evidence of the termination  
11 of that interest of the decedent and confirmation of the petitioner's interest in the  
12 property by providing to the register of deeds of the county in which the property is  
13 located the certified death certificate for the decedent and, on applications supplied  
14 by the register of deeds for that purpose, all of the following information:

15 **SECTION 247.** 867.046 (2) (k) of the statutes is created to read:

16 867.046 (2) (k) In the case of a transfer under s. 705.20 (1), except as described  
17 in par. (i) or (j), a copy of the document described in s. 705.20 (1).

18 **SECTION 248.** 879.09 of the statutes is amended to read:

19 **879.09 Notice requirement satisfied by waiver of notice.** Persons who  
20 are not minors or incompetent, on behalf of themselves, and appointed guardians ad  
21 litem and guardians of the estate on behalf of themselves and those whom they  
22 represent, may in writing waive the service of notice upon them and consent to the  
23 hearing of any matter without notice ~~except that guardians ad litem cannot waive~~  
24 ~~the notice of a hearing to prove a will or for administration on behalf of those whom~~  
25 ~~they represent.~~ An attorney, or attorney-in-fact, for a person in the military service

**SENATE BILL 625**

1 may waive notice on behalf of himself or herself but cannot waive notice on behalf  
2 of the person in the military service. Waiver of notice by any person is equivalent to  
3 timely service of notice.

4 **SECTION 249.** 880.61 (11m) of the statutes is created to read:

5 880.61 (11m) "Qualified minor's trust" means any trust, including a trust  
6 created by the custodian, that satisfies the requirements of section 2503 (c) of the  
7 Internal Revenue Code and the regulations implementing that section.

8 **SECTION 250.** 880.675 (1m) of the statutes is created to read:

9 880.675 (1m) At any time a custodian may transfer part or all of the custodial  
10 property to a qualified minor's trust without a court order. Such a transfer  
11 terminates the custodianship to the extent of the transfer.

12 **SECTION 251.** 1997 Wisconsin Act 188, section 233 (1) is amended to read:

13 [1997 Wisconsin Act 188] Section 233 (1) This act first applies to transfers  
14 relating to deaths occurring on January 1, 1999, except ~~with respect to irrevocable~~  
15 ~~that this act does not apply to transfers under governing instruments executed that~~  
16 were irrevocable before that date.

17 **SECTION 252. Initial applicability.**

18 (1) The treatment of sections 852.12, 854.12, 861.31 (1c), (1m), (2), and (4)  
19 (intro.) and (a), 861.33 (1) (a) (intro.), (b), and (c), (2), (3), and (4), 861.35 (1c), (1m)  
20 (intro.), (a), (b), and (c), (2), (3) (a), and (4) (intro.) and (a), and 863.15 of the statutes,  
21 the renumbering and amendment of section 854.08 (5) of the statutes, and the  
22 creation of sections 852.01 (1) (a) 2. b. and 854.08 (5) (a) and (d) of the statutes first  
23 apply to transfers related to deaths occurring on the effective date of this subsection  
24 but do not apply to transfers under governing instruments that were irrevocable  
25 before that date.

**SENATE BILL 625**

1           (2) The treatment of sections 705.06 (1) (c), 705.27, and 705.28 of the statutes,  
2           the renumbering and amendment of section 705.04 (2) of the statutes, and the  
3           creation of section 705.04 (2) (a), (d), (e), (f), and (g) of the statutes first apply to  
4           contracts entered into on the first day of the 4th month beginning after the effective  
5           date of this subsection.

6

**(END)**