Assembly Bill No. 243–Assemblyman Marvel

CHAPTER..........

AN ACT relating to estates in property; revising the definition of "securities account" for the purposes of the Uniform TOD Security Registration Act; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, certain security and brokerage accounts may have beneficiary designations that take effect upon the death of the owner, pursuant to the Uniform Transfer on Death Security Registration Act. (NRS 111.480-111.650)

This bill adds investment management and custody accounts held by a trust company or by the trust division of a bank to the securities that may be transferred pursuant to the Act.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 111.540 is hereby amended to read as follows:

111.540 "Security" means a share, participation or other interest in property, in a business or in an obligation of an enterprise or other issuer. The term includes a certificated security, an uncertificated security and a securities account. As used in this section, "securities account" means:

1. A reinvestment account associated with a security, a securities account with a broker, a cash balance in a brokerage account, cash, ***cash equivalents,*** interest, earnings or dividends earned or declared on a security in a securities account, a reinvestment account or a brokerage account, whether or not credited to the account before the owner's death; ~~[or]~~

2. ***An investment management or custody account with a trust company or a trust division of a bank with trust powers, including the securities in the account, a cash balance in the account, cash, cash equivalents, interest, earnings or dividends earned or declared on a security in the account, whether or not credited to the account before the owner's death; or***

3. A cash balance or other property held for or due to the owner of a security as a replacement for or product of a security held in a securities account, whether or not credited to the account before the owner's death.