

111 N. Wabash Ave. Suite 1010 Chicago, IL 60602 (312) 450-6600 tel (312) 450-6601 fax www.uniformlaws.org

## WHY YOUR STATE SHOULD ADOPT THE UNIFORM COMMUNITY PROPERTY DISPOSITION AT DEATH ACT

The Uniform Community Property Disposition at Death Act (UCPDDA) clarifies the legal status of property owned by a married couple when the first spouse dies. It should be adopted in non-community property states because:

- The UCPDDA protects property rights for married couples. The United States has two different systems of property law. Nine states and two U.S. territories treat all property acquired by a married couple during their marriage as community property the remaining states do not. The UCPDDA ensures spouses will retain their rights in community property even if they relocate to a non-community property state.
- The UCPDDA prevents unnecessary litigation. If the legal status of a married couple's property is unclear at the time the first spouse dies, disputes between potential recipients can arise. The UCPDDA clarifies the status of property with a set of default rules that apply unless the couple made other arrangements in their estate plan. Clear rules lead to fewer disputes and help preserve court resources
- *The UCPDDA modernizes the law.* The increased popularity of nonprobate transfers and the recognition of same-sex marriage have made obsolete many older statutes in non-community property states governing the disposition of community property. The UCPDDA addresses these issues in a manner consistent with modern estate planning practices.
- *The UCPDDA is flexible.* Every couple's situation is different. The UCPDDA allows married couples to make their own plans for property distribution by deferring to valid pre-marital and postmarital agreements between spouses. The UCPDDA's default rules apply only if the couple has not made their own arrangements.
- The UCPDDA is more necessary than ever. In our increasingly mobile world, many couples live in multiple states over the course of their marriage. Therefore, these couples will often acquire a mix of community property and non-community property, complicating the distribution to heirs when one spouse dies. The UCPDDA provides clear and effective rules that will prevent distributions of property to persons who are not entitled to receive it.

For more information about the UCPDDA, please contact ULC Chief Counsel Benjamin Orzeske at (312) 450-6621 or borzeske@uniformlaws.org.