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LB 480

SENATOR KAHLE: But I am talking about the small estates when the last spouse dies and you have no probate, or whatever the technical term is for that. How do you determine when it's that small when you don't need to probate it?

SENATOR HOAGLAND: Well, that would be the current situation, Senator Kahle, and in that situation which can happen today, of course, why a lien automatically attaches to the property and if the property is put on the market, why then for the purchasers to obtain clear title there has to be an inheritance tax determination completed and a judge signing an order indicating either no taxes are due or the taxes have been paid.

SENATOR KAHLE: That is when the transfer comes from whoever the heirs might be or whoever it has been willed to.

SENATOR HOAGLAND: Well, it is triggered by an attempt to sell the property.

SENATOR KAHLE: But not till then.

SENATOR HOAGLAND: Yes, not till then.

SENATOR KAHLE: If the family hangs onto the property and does not sell it, then there is no settlement.

SENATOR HOAGLAND: If the family hangs onto the property for over ten years, in no event does this lien last longer than ten years under current law.

SENATOR KAHLE: So are you telling me that if the children of the family did not settle the estate, just paid the taxes, didn't change the title, that after ten years there would be no.....

SENATOR HOAGLAND: No means of enforcing it, that's right.

SENATOR KAHLE: How would you get the title straightened up then if you wanted to sell it? It would be in the wrong name.

SENATOR HOAGLAND: Well, the estate would...the title, the property would have to be sold by the representative of the estate.

SENATOR KAHLE: What if you never established a representative of the estate? What would force the thing to be brought to some sort of an action is what I am trying to get at in case of the death of the owner if you don't have a probate system?

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