



Register
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REGISTER OF WILLS

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Legal Information on HB 1176 – Act 50

Summary:

How financial institutions handle small deposit accounts after the death of an account holder. Banks and similar institutions *must* release up to **\$20,000** if requirements are met.

Who Can Receive the Money:

Funds may be paid to one of the following family members (in this order of preference):

1. Spouse
2. Child
3. Father or Mother
4. Sister or Brother

Requirements to Claim the Money:

To receive the money, the family member must provide either:

- A **receipted funeral bill**, or
- An **affidavit** from a licensed funeral director stating that arrangements have been made to pay for funeral services.

Legal Protection for Banks:

Banks or credit unions that follow this process are legally protected as if they paid the money to an estate representative. They are **not responsible** for how the money is used. However, the person who receives the money may be held responsible if it is distributed improperly.

* This is NOT legal advice, but rather legal information that may be useful when dealing with the death of a loved one

DECEDENTS, ESTATES AND FIDUCIARIES CODE (20 P.A.C.S.) - SHARES OF OTHERS THAN SURVIVING SPOUSE AND PAYMENTS TO FAMILY AND FUNERAL DIRECTORS

Act of Nov. 24, 2025, P.L. 308, No. 50
Session of 2025
No. 2025-50

Cl. 20

HB 1176

AN ACT

Amending Title 20 (Decedents, Estates and Fiduciaries) of the Pennsylvania Consolidated Statutes, in intestate succession, further providing for shares of others than surviving spouse; and, in dispositions independent of letters, family exemption, probate of wills and grant of letters, further providing for payments to family and funeral directors.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 2103 of Title 20 of the Pennsylvania Consolidated Statutes is amended to read:

§ 2103. Shares of others than surviving spouse.

(a) Order of succession.--The share of the estate, if any, to which the surviving spouse is not entitled, and the entire estate if there is no surviving spouse, shall pass in the following order:

- (1) Issue.--To the issue of the decedent.
- (2) Parents.--If no issue survives the decedent, then to the parents or parent of the decedent.
- (3) Brothers, sisters, or their issue.--If no parent survives the decedent, then to the issue of each of the decedent's parents.
- (4) Grandparents.--If no issue of either of the decedent's parents but at least one grandparent survives the decedent, then half to the paternal grandparents or grandparent, or if both are dead, to the children of each of them and the children of the deceased children of each of them, and half to the maternal grandparents or grandparent, or if both are dead to the children of each of them and the children of the deceased children of each of them. If both of the paternal grandparents or both of the maternal grandparents are dead leaving no child or grandchild to survive the decedent, the half which would have passed to them or to their children and grandchildren shall be added to the half passing to the grandparents or grandparent or to their children and grandchildren on the other side.
- (5) Uncles, aunts and their children, and grandchildren.--If no grandparent survives the decedent, then to the uncles and aunts and the children and grandchildren of deceased uncles and aunts of the decedent as provided in section 2104(1) (relating to [taking in different degrees] **rules of succession**).
- (6) [Commonwealth] **Endowed community fund**.--In default of all persons hereinbefore described, then to [the Commonwealth of Pennsylvania.] **an endowed community fund in the following order:**
 - (i) **An endowed community fund that is located in the decedent's municipality.**

- (ii) An endowed community fund that is located in the decedent's school district.
- (iii) An endowed community fund that is located in the decedent's county.
- (iv) If no endowed community fund exists in the municipality, county or school district, then to the Commonwealth.

(b) Definitions.--As used in this section, the following words and phrases shall have the meanings given to them in this subsection unless the context clearly indicates otherwise:

"Community foundation." An organization that meets all of the following requirements:

- (1) Has been in existence for at least 10 years.
- (2) Supports a broad range of charitable activities.
- (3) Qualifies for exemption from Federal income taxation under 26 U.S.C. § 501(c)(3) (relating to exemption from tax on corporations, certain trusts, etc.).
- (4) Maintains an ongoing program to attract new endowment money by seeking gifts and bequests from a wide range of potential donors.
- (5) Is publicly supported, as described in 26 CFR 1.170A-9(f) (relating to definition of section 170(b)(1)(A) organization).
- (6) Meets the requirements for treatment as a single entity under 26 CFR 1.170A-9(f)(11).
- (7) Has an independent governing body that represents the interests of the general public and is not appointed by a single outside entity.
- (8) Is subject to an annual independent financial audit.

"Endowed community fund." A fund held by a community foundation that provides grants and benefits to charitable causes and is intended to exist in perpetuity.

Section 2. Section 3101(b) and (e)(1)(i) of Title 20, amended July 17, 2024 (P.L.805, No.65), are amended to read: § 3101. Payments to family and funeral directors.

* * *

(b) Deposit account.--Any bank, savings association, savings and loan association, building and loan association, credit union or other savings organization, at any time after the death of a depositor, member or certificate holder, shall pay the amount on deposit or represented by the certificate, when the total standing to the credit of the decedent in that institution does not exceed [\$10,000] **\$20,000**, to the spouse, any child, the father or mother or any sister or brother (preference being given in the order named) of the deceased depositor, member or certificate holder, provided that a receipted funeral bill or an affidavit, executed by a licensed funeral director which sets forth that satisfactory arrangements for payment of funeral services have been made, is presented. Any bank, association, credit union or other savings organization making such a payment shall be released to the same extent as if payment had been made to a duly appointed personal representative of the decedent and it shall not be required to see to the application thereof. Any person to whom payment is made shall be answerable therefor to anyone prejudiced by an improper distribution.

* * *

(e) Unclaimed property.--

- (1) In any case where property or funds owned by an individual who has died a resident of this Commonwealth have been reported to the Commonwealth and are in the custody of the State Treasurer as unclaimed or abandoned property, the State Treasurer, at any time after the death of the

individual, shall only be authorized under this section to distribute the property or to pay the amount being held in custody where all of the following conditions are present:

(i) The amount of the funds or the value of the property is [\$11,000] **\$20,000** or less.
* * *

Section 3. This act shall take effect as follows:

(1) The amendment of 20 Pa.C.S. § 2103 shall take effect in 60 days.

(2) The amendment of 20 Pa.C.S. § 3101(b) shall take effect in 60 days.

(3) The amendment of 20 Pa.C.S. § 3101(e)(1)(i) shall take effect in 180 days.

(4) The remainder of this act shall take effect immediately.

APPROVED--The 24th day of November, A.D. 2025.

JOSH SHAPIRO