

## **TRANSFER ON DEATH SECURITIES REGISTRATION**

Under the Pennsylvania Transfer on Death Securities Registration Act, an owner of securities can register their investment in beneficiary form, just like naming a beneficiary on a life insurance policy or retirement account. In other words, you can designate during your life time who is to receive the security by registering the desired person as the beneficiary of such security with a “registering entity” such as a broker, transfer agent or other person acting for or as an issuer of securities.

The transfer-on-death registration may be canceled or changed at any time by the owner, without the consent of the beneficiary. Upon the death of the owner, ownership of a security registered in beneficiary form passes to the named beneficiary. If there is no beneficiary that survives the owner then the security belongs to the estate of the deceased owner. Registering securities in beneficiary form can help ease the administration of a decedent’s estate and can relieve the estate’s executor from additional work in finalizing the estate. It will not however, result in any tax savings either on Pennsylvania inheritance tax or Federal estate tax.

For advanced estate planning where Federal estate taxes may be an issue, such transfer-on-death registration may not be advisable. Therefore, is it always recommended that you consult with an attorney experienced in estate planning to discuss your specific needs.