

**PAYMENT OF CLAIMS ON DECEASED
SETTLOR'S ESTATE**

2004 GENERAL SESSION

STATE OF UTAH

Sponsor: John L. Valentine

LONG TITLE

General Description:

This bill corrects an inadvertent deletion made in a previous bill, and makes a technical correction.

Highlighted Provisions:

This bill:

- ▶ reinserts language inadvertently deleted from this section that clarifies the priority for payment of claims on a deceased settlor's estate.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

75-7-313, as enacted by Chapter 227, Laws of Utah 2002

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **75-7-313** is amended to read:

75-7-313. Payment of claims.

(1) Upon the expiration of the earliest of the time limitations provided in Section 75-7-309 for the presentation of claims, the trustee shall pay the claims allowed against the deceased settlor's estate in the order of priority prescribed, after making provision for claims already presented which have not yet been allowed or whose allowance has been appealed, and

for unbarred claims which may yet be presented, including costs and expenses of administration. By petition to the court in a proceeding for that purpose, a claimant whose claim has been allowed but not paid as provided in this section may secure an order directing the trustee to pay the claim to the extent that funds of the deceased settlor's estate or trust estate are available for the payment.

(2) The trustee at any time may pay any just claim that has not been barred, with or without formal presentation, but ~~he~~ the trustee shall be personally liable to any other claimant whose claim is allowed and who is injured by the payment if:

(a) the payment was made before the expiration of the time limit stated in Subsection (1) and the trustee failed to require the payee to give adequate security for the refund of any of the payment necessary to pay other claimants; or

(b) the payment was made, due to the negligence or willful fault of the trustee, in a way that deprived the injured claimant of his priority.