

SUBSTITUTE FOR
HOUSE BILL NO. 4410

A bill to amend 1998 PA 386, entitled
"Estates and protected individuals code,"
by amending section 2404 (MCL 700.2404), as amended by 2000 PA 177.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2404. (1) The decedent's surviving spouse is also
2 entitled to household furniture, automobiles, furnishings,
3 appliances, and personal effects from the estate up to a value not
4 to exceed \$10,000.00 more than the amount of any security interests
5 to which the property is subject. If there is no surviving spouse,
6 the decedent's children **WHO ARE NOT EXCLUDED UNDER SUBSECTION (4)**
7 are entitled jointly to the same value.

8 (2) If encumbered assets are selected and the value in excess
9 of security interests, plus that of other exempt property, is less
10 than \$10,000.00, or if there is not \$10,000.00 worth of exempt

property in the estate, the spouse or children **WHO ARE NOT EXCLUDED UNDER SUBSECTION (4)** are entitled to other assets of the estate, if any, to the extent necessary to make up the \$10,000.00 value.

Rights to exempt property and assets needed to make up a deficiency of exempt property have priority over all claims against the estate, except that the right to assets to make up a deficiency of exempt property abates as necessary to permit payment of all of the following in the following order:

(a) Administration costs and expenses.

(b) Reasonable funeral and burial expenses.

(c) Homestead allowance.

(d) Family allowance.

(3) The rights under this section are in addition to a benefit or share passing to the surviving spouse or children by the decedent's will, unless otherwise provided, by intestate succession, or by elective share. The \$10,000.00 amount ~~expressed~~ **DESCRIBED** in this section ~~shall~~ **MUST** be adjusted as provided in section 1210.

(4) THE DECEDENT MAY EXCLUDE 1 OR MORE OF THE DECEDENT'S CHILDREN FROM RECEIVING EXEMPT PROPERTY OR ASSETS TO MAKE UP A DEFICIENCY OF EXEMPT PROPERTY UNDER SUBSECTION (1) BY EITHER OF THE FOLLOWING MEANS:

(A) THE DECEDENT BY WILL EXPRESSLY STATES EITHER OF THE FOLLOWING:

(i) THE CHILD TAKES NOTHING.

(ii) THE CHILD TAKES AN AMOUNT OF \$10.00 OR LESS FROM THE ESTATE.

1 (B) THE DECEDENT BY WILL EXPRESSLY STATES THAT THE CHILD IS
2 NOT TO RECEIVE EXEMPT PROPERTY UNDER THIS SECTION.

3 Enacting section 1. This amendatory act takes effect 90 days
4 after the date it is enacted into law.