

ESTATES AND PROTECTED INDIVIDUALS CODE (EXCERPT)
Act 386 of 1998

700.3806 Allowance and disallowance of claims.

Sec. 3806. (1) If a claim is presented in the manner described in section 3804 and within the time limit prescribed in section 3803, the personal representative may deliver or mail a notice to a claimant stating that the claim has been disallowed in whole or in part. If, after allowing or disallowing a claim, the personal representative changes a decision concerning the claim, the personal representative shall notify the claimant. The personal representative shall not change a decision disallowing a claim if the time for the claimant to commence a proceeding for allowance expires or if the time to commence a proceeding on the claim expires and the claim is barred. A claim that the personal representative disallows in whole or in part is barred to the extent disallowed unless the claimant commences a proceeding against the personal representative not later than 63 days after the mailing of the notice of disallowance or partial allowance if the notice warns the claimant of the impending bar.

(2) The personal representative's failure to deliver or mail to a claimant notice of action on the claim within 63 days after the time for the claim's presentation expires or within 63 days after the personal representative's appointment, whichever is later, constitutes a notice of allowance. An interested person's failure to deliver or mail to the personal representative notice of an objection to a personal representative's claim within 63 days after the time the claim's original presentation expires constitutes a notice of allowance.

(3) After allowing or disallowing a claim, the personal representative may change the allowance or disallowance as provided in this subsection. Before payment of a claim, the personal representative may change the allowance to a disallowance in whole or in part, but not after allowance by a court order or judgment or an order directing the claim's payment. The personal representative shall notify the claimant of the change to disallowance, and the disallowed claim is then subject to bar as provided in subsection (1). The personal representative may change a disallowance to an allowance, in whole or in part, until it is barred under subsection (1). After a claim is barred, it may be allowed and paid only if the estate is solvent and all successors whose interests would be affected consent.

(4) Upon the personal representative's or a claimant's commencement of a proceeding, the court may allow in whole or in part a claim properly presented in due time and not barred by subsection (1). Upon an interested person's petition concerning a personal representative's claim, the court may allow in whole or in part the personal representative's claim properly presented in due time and not previously allowed under subsection (1).

(5) A judgment in a proceeding in another court against a personal representative to enforce a claim against a decedent's estate constitutes an allowance of the claim.

(6) Unless otherwise provided in a judgment in another court entered against the personal representative, an allowed claim bears interest at a rate determined under section 6013 of the revised judicature act of 1961, MCL 600.6013, for the period commencing 63 days after the time for the claim's original presentation expires unless based on a contract providing for interest, in which case the claim bears interest in accordance with the contract.

History: 1998, Act 386, Eff. Apr. 1, 2000;—Am. 2000, Act 54, Eff. Apr. 1, 2000.

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