

SECOND REGULAR SESSION

# HOUSE BILL NO. 1392

## 99TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE GREGORY.

4129H.011

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To repeal sections 362.470 and 369.174, RSMo, and to enact in lieu thereof two new sections relating to jointly-owned accounts.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Sections 362.470 and 369.174, RSMo, are repealed and two new sections  
2 enacted in lieu thereof, to be known as sections 362.470 and 369.174, to read as follows:

362.470. 1. When a deposit is made by any person in the name of the depositor and any  
2 one or more other persons, whether minor or adult, as joint tenants or in form to be paid to any  
3 one or more of them, or the survivor or survivors of them and whether or not the names are  
4 stated in the conjunctive or the disjunctive or otherwise, the deposit thereupon and any additions  
5 thereto made by any of these persons, upon the making thereof, shall become the property of  
6 these persons as joint tenants, and the same, together with all interest thereon, shall be held for  
7 the exclusive use of the persons so named, and may be paid to any one of such persons during  
8 his **or her** lifetime, or to any one of the survivors of them after the death of any one or more of  
9 them. The making of a deposit in such form, and the making of additions thereto, in the absence  
10 of fraud or undue influence, shall be conclusive evidence in any action or proceeding to which  
11 either the bank or trust company or any survivor is a party of the intention of all the parties to the  
12 account to vest title to the account and the additions thereto and all interest thereon in the  
13 survivor. By written instructions of all joint tenants given to the bank or trust company they may  
14 require the signatures of more than one of such persons during their lifetimes or of more than one  
15 of the survivors after the death of any one of them on any order for payment, withdrawal, check  
16 endorsement or receipt, in which case the bank shall honor orders to pay or withdrawals and  
17 make payments of interest only in accordance with such instructions, but no such instructions

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 shall limit the right of the sole survivor or of all of the survivors to all or any part of any such  
19 deposit or interest thereon. The payment and the receipt or acquittance of the one to whom the  
20 payment is made as provided in this section shall be a valid and sufficient release and discharge  
21 to the bank or trust company, whether any one or more of the persons named is dead or alive, for  
22 all payments made on account of such deposit prior to the receipt by the bank or trust company  
23 of notice in writing signed by any one of the joint tenants not to pay the deposit in accordance  
24 with the terms thereof. After receipt of such notice a bank or trust company may refuse without  
25 liability to honor any check or other order to pay, withdrawal, receipt, or to pay out any interest  
26 thereon pending determination of the rights of the parties. No bank or trust company paying any  
27 survivor in accordance with the provisions of this section shall thereby be liable for any estate,  
28 inheritance or succession taxes which may be due this state. As to any minor who is a joint  
29 tenant as provided in this section, all of the provisions of section 362.465 shall apply.

30 2. If more than two persons are named as such depositors and one of them dies, the  
31 deposit becomes the property of the survivors as joint tenants.

32 3. The pledge or assignment to the bank or trust company of all or part of a joint tenancy  
33 deposit or the interest thereon, signed by any joint tenant or tenants, whether minor or adult,  
34 upon whose signature or signatures withdrawals may be made from the account shall be a valid  
35 pledge or transfer to the bank or trust company of that part of the deposit pledged or assigned,  
36 and shall not operate to sever or terminate the joint tenancy of or any part of the account, subject  
37 to the effect of the pledge or assignment.

38 4. The adjudication of incompetency of any one or more joint tenants shall not operate  
39 to sever or terminate the joint tenancy of any part of the deposit and the deposit may be  
40 withdrawn, paid out or pledged by any one or more of the joint tenants in the same manner as  
41 though the adjudication of incompetency had not been made except that any payment,  
42 withdrawal or pledge on behalf of the incompetent joint tenant shall be by his **or her** guardian.

43 5. Any deposit made in the name of two persons or the survivor thereof who are husband  
44 and wife shall be considered a tenancy by the entirety unless otherwise specified.

45 **6. The moneys in the account may be garnished to satisfy a judgment held against**  
46 **one joint tenant up to an amount equivalent to the portion of the total amount to which the**  
47 **joint tenant would be entitled if the total were divided evenly among all joint tenants.**

369.174. 1. When an account is opened or maintained in an association in the names of  
2 two or more persons, whether minor or adult, as joint tenants or in form to be paid to any of them  
3 or the survivor of them and whether or not the names are stated in the conjunctive or the  
4 disjunctive or otherwise, the account and all additions thereto shall be the property of such  
5 persons as joint tenants. The moneys in the account and all earnings on the account may be paid  
6 to any one of such persons during his **or her** lifetime or to any one of the survivors of them after

7 the death of any one or more of them. The opening or maintenance of the account in such form,  
8 in the absence of fraud or undue influence, shall be conclusive evidence in any action or  
9 proceeding to which the association or any survivor or the personal representative of a deceased  
10 owner is a party of the intention of all the parties to the account to vest title to the account and  
11 the additions and earnings thereto in the survivor. A person may be added or removed as an  
12 owner of an account upon the written direction of any owner of the account upon whose  
13 signature withdrawals may be made from the account. By written instructions of all joint tenants  
14 given to the association, they may require the signatures of more than one of such persons during  
15 their lifetimes or of more than one of the survivors after the death of any one of them on any  
16 notice of withdrawal, request for withdrawal, check endorsement or receipt, or remove any such  
17 requirement, in which case the association shall pay withdrawals and earnings only in accordance  
18 with such instructions, but no such instructions shall limit the right of the sole survivor or of all  
19 of the survivors to receive withdrawal payments and earnings. Payment of all or any of the  
20 moneys in the account or payment of earnings thereon as provided in this section is a valid and  
21 sufficient release and discharge of the association with respect to the moneys so paid prior to  
22 receipt by the association of a written notice from any one of the account owners directing the  
23 association not to permit withdrawals or make payments in accordance with the terms of the  
24 account or the written instructions. After receipt of such notice an association may refuse  
25 without liability to honor any check, receipt or withdrawal order or pay any earnings on the  
26 account pending determination of the rights of the parties, but is not required to do so. No  
27 association paying any survivor in accordance with the provisions of this section shall thereby  
28 be liable for any estate or succession taxes which may be due this state. As to any minor who  
29 is the owner of a joint account or an interest therein, all the provisions of section 369.169 shall  
30 apply.

31         2. The pledge or assignment to any association of all or part of a joint tenancy account  
32 or the earnings thereon signed by any owner or owners whether minor or adult upon whose  
33 signature or signatures withdrawals may be made from the account shall, unless the terms of the  
34 account contract provide specifically to the contrary, be a valid pledge or transfer to the  
35 association of that part of the account pledged or assigned, and shall not operate to sever or  
36 terminate the joint tenancy ownership of all or any part of the account, subject to the effect of the  
37 pledge or assignment.

38         3. The adjudication of disability or incapacity of any one or more of the joint tenants  
39 shall not operate to sever or terminate the joint tenancy ownership of all or any part of the  
40 account and the account may be withdrawn or pledged by any one or more of the joint owners  
41 in the same manner as though the adjudication of disability or incapacity had not been made

42 except that any withdrawal or pledge on behalf of the disabled joint owner shall be by his **or her**  
43 conservator.

44           4. Any account opened in form to be paid to two persons or the survivor thereof who are  
45 husband and wife shall be considered a joint tenancy and not a tenancy by the entirety unless  
46 specified otherwise.

47           **5. The moneys in the account may be garnished to satisfy a judgment held against**  
48 **one account owner up to an amount equivalent to the portion of the total amount to which**  
49 **the account owner would be entitled if the total were divided evenly among all account**  
50 **owners.**

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