

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

700.3906 Distribution in kind; valuation; method.

Sec. 3906.

(1) Unless the will indicates a contrary intention, the distributable property of a decedent's estate shall be distributed in kind to the extent possible through application of the following provisions:

(a) A specific devisee is entitled to distribution of the property devised to him or her, and a spouse or child who selects particular estate property as provided in section 2404 shall receive the property selected.

(b) A homestead or family allowance, or devise of a stated sum of money, may be satisfied in kind provided all of the following are true:

(i) The person entitled to the payment does not demand payment in cash.

(ii) The property distributed in kind is valued at fair market value as of its distribution date.

(iii) A residuary devisee does not request that the property in question remain a part of the estate residue.

(c) The residuary estate may be distributed in any equitable manner.

(2) Property described in subsection (1)(b) shall be valued in accordance with the following:

(a) A security regularly traded on recognized exchanges, if distributed in kind, is valued at the price for the last sale of like securities traded on the business day before distribution or, if there was no sale on that day, at the median between amounts bid and offered at the close of that day.

(b) Property consisting of money owed the decedent or the estate by a solvent debtor as to which there is no known dispute or defense is valued at the amount due with accrued interest or discounted to the distribution date.

(c) Property that does not have a readily ascertainable value is valued as of a date not more than 28 days before the distribution date, if otherwise reasonable.

(d) For purposes of facilitating distribution, the personal representative may ascertain property value as of the time of the proposed distribution in any reasonable way, including the employment of qualified appraisers, even if the property may have been previously appraised.

History: 1998, Act 386, Eff. Apr. 1, 2000

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