

**FINAL BILL REPORT**

**SB 5067**

**C 19 L 93**

**SYNOPSIS AS ENACTED**

**Brief Description:** Altering the provisions concerning joint tenancy.

**SPONSORS:** Senators A. Smith, McCaslin and Nelson

**SENATE COMMITTEE ON LAW & JUSTICE**

**HOUSE COMMITTEE ON JUDICIARY**

**BACKGROUND:**

A joint tenancy is a form of property ownership in which two or more persons jointly own something. Each joint tenant has the same undivided interest in the whole of the jointly owned property. Joint tenancies may arise in any number of ways. Sometimes they arise incident to a marital community. A joint tenancy held in the names of a husband and wife is presumed to be community property.

Case law in Washington indicates that with respect to separate, noncommunity property, a joint tenancy is severable at will by any tenant. Severance of a community property joint tenancy may allow significant federal estate tax savings. There is some concern that current joint tenancy statutes could be interpreted to deny the right of unilateral severance of a community property joint tenancy.

**SUMMARY:**

Any joint tenancy, including a community property joint tenancy, may be severed at will by any tenant. Property interests resulting from the severance of a joint tenancy held by a husband and wife are presumed to be community property as well.

**VOTES ON FINAL PASSAGE:**

Senate	46	0
House	98	0

**EFFECTIVE:** July 25, 1993