

## A Family Law Newsletter from De Gennaro Law Firm

The Family Law Newsletter is provided by De Gennaro Law Firm to help individuals and families navigate through the myriad of legal concerns they will confront in both life and death.

## Automobile lease obligation continues after death.

A short time after entering into an automobile lease, the lessee passes away. The leasing company takes the car back and sells it at a public auction for less than its residual value. Following the sale, the leasing company files a claim against the lessee's estate in probate court demanding the full remaining lease payments. Absent language in the lease that provides protection against liability for early termination of the lease, the decedent's estate will be on the hook for the balance of the payments.

What if all the decedent's assets were placed in decedent's living trust and there were no assets to probate? The decedent's trust may still be on the hook to pay the claim as Michigan law provides that a decedent's trust assets are subject to any enforceable and timely presented claim of a decedent's creditors.

## Transferring title of a decedent's vehicle without probate.

You are a surviving spouse, or the surviving next of kin and other than the decedent's automobile(s), there are  $\underline{no}$  assets to probate. Do you have to open a probate estate just to pass ownership of the vehicle? Not in Michigan if the total value of the automobile(s) does not exceed \$60,000.

Where there are no estate assets to be probated, the surviving spouse or the next closest kin may transfer the vehicle into their name by presenting the title, current registration or license plate number, and a copy of the death certificate to the Secretary of State. You will need to complete a "Certification From the Heir to a Vehicle" form, and you should not need new plates.

What happens if there are several closest next of kin such as multiple brothers or sisters? Those who have no interest in the vehicle may sign a "certification statement" to this effect. If there is a conflict over who gets the vehicle, then probate and sale of the vehicle may be necessary.

Remember, this method of transferring title assumes that the decedent's estate is not being probated <u>nor</u> will it be probated in the future. You will have to certify to the Secretary of State that is the case.

## **Complimentary Consultation**

For a Complimentary consultation, please contact the De Gennaro Law Firm at 248.350.0404, or email us at <a href="mailto:service@degennarolaw.com">service@degennarolaw.com</a>.



Lou De Gennaro is a member of the estate planning division of the Michigan Bar Association. He is dean emeritus and retired professor of legal studies at Lawrence Technological University. He holds a doctorate of jurisprudence from Michigan State University College of Law. His post-law studies were at Harvard and Cambridge, England.

For over forty-four years, he has taught and practiced extensively in the areas of family law, business organizations, contracts, commercial litigation, and estate planning, and conducts personalized estate planning seminars for the firm's clients and their families. He has served as a hearing officer for the Michigan Department of Civil Rights, and a mediator for the Wayne County Circuit court.

De Gennaro law firm collaborates with a network of professional firms to provide additional support services, including divorce and commercial litigation, and will work with your existing financial and tax professionals to ensure a comprehensive approach to your business, family and estate planning needs.

Visit our website for detailed information about the legal support services provided.

This newsletter and any description of current law and its application are not intended as legal advice. Readers are directed to seek individual consultation with regard to their particular concerns.