

Pay / Transfer on Death Accounts

What is a POD/TOD?

Allows a beneficiary to automatically take ownership of the account upon proof of the account holder's death through the bank. Cars and houses are not included in these type of accounts in Florida.



How to Create Accounts:

1. Either go to the bank or access your bank account online.
2. Fill out the form to designate a beneficiary.
3. Submit the finished form either online or in person to your bank.



Benefits:

- Free and easy to create
- Avoids probate
- No access until after death
- Have multiple beneficiaries
- Creditors do not have access



Cons:

- If the beneficiary is a minor, the financial institution will not release funds until they reach age of majority (18).
- Not a substitute to a will, which specifies how other assets are distributed.

Difference between Joint Accounts

Two or more individuals have equal access to funds (& equal responsibility of fees or charges incurred) in a bank or brokerage account. PODs/TODs have one owner and the beneficiary does not have access until the account holder's death.



Probate Tips:

- You might need a lawyer.
- Do not be afraid of probate!
- Probate is a public process, if you value privacy, you do not want your money to go through probate.
- Assets that will most likely go through probate: Real estate, vehicles, and other titled assets owned solely by the deceased person or as a tenant in common with someone else.

Timeline of Probate:

