

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 1102
Committee Substitute Favorable 5/4/89

Short Title: Estate Claims/Funeral Expenses.

(Public)

Sponsors:

Referred to:

April 7, 1989

1 A BILL TO BE ENTITLED
2 AN ACT CONCERNING THE PRIORITY OF CERTAIN FUNERAL EXPENSES AS
3 A CLAIM AGAINST AN ESTATE.

4 The General Assembly of North Carolina enacts:

5 Section 1. G.S. 28A-19-6 reads as rewritten:

6 "**§ 28A-19-6. Order of payment of claims.**

7 After payment of costs and expenses of administration, the claims against the estate
8 of a decedent must be paid in the following order:

9 First class. Claims which by law have a specific lien on property to an amount not
10 exceeding the value of such property.

11 Second class. Funeral expenses other than those for cemetery lot and gravestone to
12 the extent of two thousand dollars (\$2,000) and expenses for cemetery lot and
13 gravestone of the decedent to the extent of five hundred dollars (\$500.00). ~~This~~
14 ~~limitation shall not include cemetery lot or gravestone.~~ ~~The preferential limitation limitations~~
15 to the preference herein granted shall be construed to be only ~~a limit limits~~ with respect
16 to preference of payment and shall not be construed to be ~~a limitation limitations~~ on
17 reasonable funeral expenses which may be incurred; nor shall the preferential ~~limitation~~
18 limitations of payment in the amount of two thousand dollars (\$2,000) or five hundred
19 dollars (\$500.00) be diminished by any Veterans Administration, social security or
20 other federal governmental benefits awarded to the estate of the decedent or to his or her
21 beneficiaries.

22 Third class. All dues, taxes, and other claims with preference under the laws of the
23 United States.

1 Fourth class. All dues, taxes, and other claims with preference under the laws of the
2 State of North Carolina and its subdivisions.

3 Fifth class. Judgments of any court of competent jurisdiction within the State,
4 docketed and in force, to the extent to which they are a lien on the property of the
5 decedent at his death.

6 Sixth class. Wages due to any employee employed by the decedent, which claim for
7 wages shall not extend to a period of more than 12 months next preceding the death; or
8 if such employee was employed for the year current at the decease, then from the time
9 of such employment; for medical services within the 12 months preceding the decease;
10 for drugs and all other medical supplies necessary for the treatment of such decedent
11 during the last illness of such decedent, said period of last illness not to exceed 12
12 months.

13 Seventh class. All other claims."

14 Sec. 2. This act shall become effective October 1, 1989.