

ESTATES CODE

TITLE 2. ESTATES OF DECEDENTS; DURABLE POWERS OF ATTORNEY
SUBTITLE C. PASSAGE OF TITLE AND DISTRIBUTION OF DECEDENTS'
PROPERTY IN GENERAL

CHAPTER 115. BENEFICIARY DESIGNATION FOR MOTOR VEHICLES

Sec. 115.001. DEFINITIONS. In this chapter:

(1) "Beneficiary designation" means the designation by an owner of a motor vehicle of a beneficiary of the vehicle as provided by Section 501.0315, Transportation Code.

(2) "Designated beneficiary" means a person designated as a beneficiary of an owner's interest in a motor vehicle under Section 501.0315, Transportation Code.

(3) "Joint owner with right of survivorship" or "joint owner" means a person who owns a motor vehicle concurrently with one or more other persons with a right of survivorship. The term does not include an owner of community property with or without a right of survivorship.

(4) "Motor vehicle" has the meaning assigned by Section 501.002, Transportation Code.

(5) "Person" has the meaning assigned by Section 311.005, Government Code.

Added by Acts 2017, 85th Leg., R.S., Ch. 586 (S.B. 869), Sec. 1, eff. September 1, 2017.

Sec. 115.002. BENEFICIARY DESIGNATION AUTHORIZED. (a) An owner of a motor vehicle may transfer the owner's interest in the motor vehicle to a sole beneficiary effective on the owner's death by designating a beneficiary as provided by Section 501.0315, Transportation Code.

(b) A beneficiary designation is:

(1) subject to Section 115.003(b), revocable and may be changed at any time without the consent of the designated beneficiary as provided by Section 501.0315, Transportation Code;

(2) a nontestamentary instrument; and

(3) effective without:

(A) notice or delivery to or acceptance by the

designated beneficiary during the owner's life; or

(B) consideration.

(c) A will may not revoke or supersede a beneficiary designation, regardless of when the will is made.

(d) A designated beneficiary may disclaim the designated beneficiary's interest in the motor vehicle as provided by Chapter [240](#), Property Code.

Added by Acts 2017, 85th Leg., R.S., Ch. 586 (S.B. [869](#)), Sec. 1, eff. September 1, 2017.

Sec. 115.003. JOINT OWNERSHIP. (a) If a motor vehicle that is the subject of a beneficiary designation is owned by joint owners with right of survivorship, the beneficiary designation must be made by all of the joint owners.

(b) A beneficiary designation made by joint owners with right of survivorship:

(1) may be revoked or changed as provided by Section [501.0315](#), Transportation Code, only if it is revoked or changed by all of the joint owners; and

(2) may be revoked or changed by the last surviving joint owner as provided by Section [501.0315](#), Transportation Code.

Added by Acts 2017, 85th Leg., R.S., Ch. 586 (S.B. [869](#)), Sec. 1, eff. September 1, 2017.

Sec. 115.004. EFFECT OF BENEFICIARY DESIGNATION DURING OWNER'S LIFE. During a motor vehicle owner's life, a beneficiary designation does not:

(1) affect an interest or right of the owner or owners making the designation, including the right to transfer or encumber the motor vehicle that is the subject of the designation;

(2) create a legal or equitable interest in favor of the designated beneficiary in the motor vehicle that is the subject of the designation, even if the beneficiary has actual or constructive notice of the designation;

(3) affect an interest or right of a secured or unsecured creditor or future creditor of the owner or owners making the designation, even if the creditor has actual or constructive

notice of the designation; or

(4) affect an owner's or the designated beneficiary's eligibility for any form of public assistance, subject to applicable federal law.

Added by Acts 2017, 85th Leg., R.S., Ch. 586 (S.B. 869), Sec. 1, eff. September 1, 2017.

Sec. 115.005. EFFECT OF BENEFICIARY DESIGNATION AT OWNER'S OR LAST SURVIVING OWNER'S DEATH. (a) On the death of the owner of a motor vehicle that is the subject of a beneficiary designation, the following rules apply to an interest in the motor vehicle:

(1) if the designated beneficiary survives the owner making the designation by 120 hours, the interest in the motor vehicle is transferred to the designated beneficiary; and

(2) if the designated beneficiary fails to survive the owner making the designation by 120 hours, the share of the designated beneficiary lapses, notwithstanding Section 111.052, and is subject to and passes in accordance with Subchapter D, Chapter 255, as if the beneficiary designation were a devise made in a will.

(b) If an owner is a joint owner with right of survivorship who is survived by one or more other joint owners, the motor vehicle that is the subject of the beneficiary designation belongs to the surviving joint owner or owners. If an owner is a joint owner with right of survivorship who is the last surviving joint owner, the beneficiary designation is effective.

(c) A designated beneficiary takes the motor vehicle subject to all encumbrances, assignments, contracts, liens, and other interests to which the vehicle is subject at the owner's or last surviving owner's death, as applicable. The transfer to the designated beneficiary does not affect the ability of a lienholder to pursue an existing means of debt collection permitted under the laws of this state.

Added by Acts 2017, 85th Leg., R.S., Ch. 586 (S.B. 869), Sec. 1, eff. September 1, 2017.

Sec. 115.006. CREDITOR CLAIMS; ALLOWANCES IN LIEU OF EXEMPT

PROPERTY AND FAMILY ALLOWANCES. Sections 114.104(b), (c), and (d) and Section 114.106 apply to a transfer of an owner's interest in a motor vehicle by a beneficiary designation in the same manner and to the same extent as a transfer of real property under a transfer on death deed under Chapter 114.

Added by Acts 2017, 85th Leg., R.S., Ch. 586 (S.B. 869), Sec. 1, eff. September 1, 2017.