

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

H

D

HOUSE DRH40046-LL-76 (1/29)

Short Title: Update Funeral Expense Allowance.

(Public)

Sponsors: Representatives Spear and Hurley (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO UPDATE THE PRIORITY FUNERAL EXPENSE ALLOWANCE.

3 The General Assembly of North Carolina enacts:

4 **SECTION 1.** G.S. 28A-19-6(a) reads as rewritten:

5 "(a) After payment of costs and expenses of administration, the claims against the estate  
6 of a decedent must be paid in the following order:

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

9 Second class. Funeral expenses to the extent of ~~two thousand five hundred dollars (\$2,500).~~  
10 three thousand five hundred dollars (\$3,500). This limitation shall not include cemetery lot or  
11 gravestone. The preferential limitation herein granted shall be construed to be only a limit with  
12 respect to preference of payment and shall not be construed to be a limitation on reasonable  
13 funeral expenses which may be incurred; nor shall the preferential limitation of payment in the  
14 amount of ~~two thousand five hundred dollars (\$2,500)~~ three thousand five hundred dollars  
15 (\$3,500) be diminished by any Veterans Administration, social security or other federal  
16 governmental benefits awarded to the estate of the decedent or to his or her beneficiaries.

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

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

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

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

29 Seventh class. A claim for equitable distribution.

30 Eighth class. All other claims."

31 **SECTION 2.** This act becomes effective October 1, 2009, and applies to estates of  
32 persons dying on or after that date.

