

State of Arizona  
Senate  
Fifty-fourth Legislature  
First Regular Session  
2019

**CHAPTER 19**  
**SENATE BILL 1218**

AN ACT

AMENDING SECTION 33-405, ARIZONA REVISED STATUTES; RELATING TO BENEFICIARY DEEDS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 33-405, Arizona Revised Statutes, is amended to  
3 read:

4 33-405. Beneficiary deeds; recording; definitions

5 A. A deed that conveys an interest in real property, including any  
6 debt secured by a lien on real property, to a grantee beneficiary  
7 designated by the owner and that expressly states that the deed is  
8 effective on the death of the owner transfers the interest to the  
9 designated grantee beneficiary effective on the death of the owner subject  
10 to all conveyances, assignments, contracts, mortgages, deeds of trust,  
11 liens, security pledges and other encumbrances made by the owner or to  
12 which the owner was subject during the owner's lifetime.

13 B. A beneficiary deed may designate multiple grantees who take  
14 title as joint tenants with right of survivorship, tenants in common, a  
15 husband and wife as community property or as community property with right  
16 of survivorship, or any other tenancy that is valid under the laws of this  
17 state. **UNLESS THE BENEFICIARY DEED PROVIDES OTHERWISE, THE INTEREST IN  
18 REAL PROPERTY CONVEYED BY A BENEFICIARY DEED IS THE SEPARATE PROPERTY OF  
19 THE NAMED GRANTEE BENEFICIARY AND IS NOT COMMUNITY PROPERTY.**

20 C. A beneficiary deed may designate a successor grantee  
21 beneficiary. If the beneficiary deed designates a successor grantee  
22 beneficiary, the deed shall state the condition on which the interest of  
23 the successor grantee beneficiary would vest. **UNLESS THE BENEFICIARY DEED  
24 PROVIDES OTHERWISE, IF THERE ARE NO GRANTEE BENEFICIARIES NAMED IN THE  
25 BENEFICIARY DEED WHO SURVIVE THE OWNER, THE BENEFICIARY DEED IS VOID AND  
26 SECTION 14-2603 DOES NOT APPLY.**

27 D. If real property is owned as joint tenants with the right of  
28 survivorship or as community property with the right of survivorship, a  
29 deed that conveys an interest in the real property to a grantee  
30 beneficiary designated by all of the then surviving owners and that  
31 expressly states that the deed is effective on the death of the last  
32 surviving owner transfers the interest to the designated grantee  
33 beneficiary effective on the death of the last surviving owner. If a  
34 beneficiary deed is executed by fewer than all of the owners of real  
35 property owned as joint tenants with right of survivorship or community  
36 property with right of survivorship, the beneficiary deed is valid if the  
37 last surviving owner is one of the persons who executes the beneficiary  
38 deed. If the last surviving owner did not execute the beneficiary deed,  
39 the transfer shall lapse and the deed is void. An estate in joint tenancy  
40 with right of survivorship or community property with right of  
41 survivorship is not affected by the execution of a beneficiary deed that  
42 is executed by fewer than all of the owners of the real property, and the  
43 rights of a surviving joint tenant with right of survivorship or a  
44 surviving spouse in community property with right of survivorship shall  
45 prevail over a grantee beneficiary named in a beneficiary deed.

1 E. A beneficiary deed is valid only if the deed is executed and  
2 recorded as provided by law in the office of the county recorder of the  
3 county in which the property is located before the death of the owner or  
4 the last surviving owner. A beneficiary deed may be used to transfer an  
5 interest in real property to the trustee of a trust even if the trust is  
6 revocable.

7 F. A beneficiary deed may be revoked at any time by the owner or,  
8 if there is more than one owner, by any of the owners who executed the  
9 beneficiary deed. To be effective, the revocation must be executed and  
10 recorded as provided by law in the office of the county recorder of the  
11 county in which the real property is located before the death of the owner  
12 who executes the revocation. If the real property is owned as joint  
13 tenants with right of survivorship or community property with right of  
14 survivorship and if the revocation is not executed by all the owners, the  
15 revocation is not effective unless executed by the last surviving owner.

16 G. If an owner executes and records more than one beneficiary deed  
17 concerning the same real property, the last beneficiary deed that is  
18 recorded before the owner's death is the effective beneficiary deed.

19 H. This section does not prohibit other methods of conveying  
20 property that are permitted by law and that have the effect of postponing  
21 enjoyment of an interest in real property until the death of the owner.  
22 This section does not invalidate any deed otherwise effective by law to  
23 convey title to the interests and estates provided in the deed that is not  
24 recorded until after the death of the owner.

25 I. The signature, consent or agreement of or notice to a grantee  
26 beneficiary of a beneficiary deed is not required for any purpose during  
27 the lifetime of the owner.

28 J. A beneficiary deed that is executed, acknowledged and recorded  
29 in accordance with this section is not revoked by the provisions of a  
30 will.

31 K. A beneficiary deed is sufficient if it complies with other  
32 applicable laws and if it is in substantially the following form:

33 Beneficiary Deed

34 I (we) \_\_\_\_\_ (owner) hereby convey  
35 to \_\_\_\_\_ (grantee beneficiary) effective on my (our)  
36 death the following described real property:

37 (Legal description)

38 If a grantee beneficiary predeceases the owner, the  
39 conveyance to that grantee beneficiary shall either (choose  
40 one):

