

§ 500.523

31 CFR Ch. V (7-1-05 Edition)

§ 500.523 Transactions incident to the administration of decedents' estates.

(a) The following transactions are authorized in connection with the administration of the assets in the United States of any blocked estate of a decedent:

- (1) The appointment and qualification of a personal representative;
 - (2) The collection and preservation of such assets by such personal representative and the payment of all costs, fees and charges in connection therewith; and
 - (3) The payment by such personal representative of funeral expenses and expenses of the last illness.
- (4) Any transfer of title pursuant to a valid testamentary disposition.

This paragraph does not authorize any unblocking or distribution of estate assets to a designated national.

(b) In addition to the authorization contained in paragraph (a) of this section, all other transactions incident to the administration of assets situated in the United States of any blocked estate of a decedent are authorized if:

- (1) The decedent was not a national of a designated foreign country at the time of his death;
- (2) The decedent was a citizen of the United States and a national of a designated foreign country at the time of his death solely by reason of his presence in a designated foreign country as a result of his employment by, or service with the United States Government; or
- (3) The assets are unblocked under a specific license issued pursuant to § 500.568.

(c) Any property or interest therein distributed pursuant to this section to a designated national shall be regarded for the purpose of this chapter as property in which such national has an interest and shall accordingly be subject to all the pertinent sections of this chapter. Any payment or distribution of any funds, securities or other choses in action to a designated national shall be made by deposit in a blocked account in a domestic bank or with a public officer, agency, or instrumentality designated by a court having jurisdiction of the estate. Any such de-

posit shall be made in one of the following ways:

- (1) In the name of the national who is the ultimate beneficiary thereof;
 - (2) In the name of a person who is not a national of a designated foreign country in trust for the national who is the ultimate beneficiary; or
 - (3) Under some other designation which clearly shows the interest therein of such national.
- (d) Any distribution of property authorized pursuant to this section may be made to a trustee of any testamentary trust or to the guardian of an estate of a minor or of an incompetent.

(e) This section does not authorize:

- (1) Any designated national to act as personal representative or co-representative of any estate;

- (2) Any designated national to represent, directly or indirectly, any person who has an interest in an estate;

- (3) Any designated national to take distribution of any property as the trustee of any testamentary trust or as the guardian of an estate of a minor or of an incompetent; or

- (4) Any transaction which could not be effected if no designated national had any interest in such estate.

(f) Any payment or distribution authorized by this section may be deposited in a blocked account in a domestic bank or with a public officer, agency, or instrumentality designated by the court having jurisdiction of the estate in one of the ways prescribed in paragraphs (c) (1), (2) or (3) of this section, but this section does not authorize any other transaction directly or indirectly at the request, or upon the instructions of any designated national.

[15 FR 9040, Dec. 19, 1950, as amended at 54 FR 5232, Feb. 2, 1989]

§ 500.524 Payment from, and transactions in the administration of certain trusts and estates.

(a) Any bank or trust company incorporated under the laws of the United States, or of any State, territory, possession, or district of the United States, or any private bank subject to supervision and examination under the banking laws of any State of the United States, acting as trustee of a trust created by gift, donation or bequest and administered in the United