

2025 -- H 5265

LC000290

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO PROPERTY -- ESTATES IN REAL PROPERTY

Introduced By: Representative Matthew S. Dawson

Date Introduced: January 31, 2025

Referred To: House Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 34-4 of the General Laws entitled "Estates in Real Property" is  
2 hereby amended by adding thereto the following section:

3 **34-4-2.2. Life estates -- Apportionment of expenses and improvements.**

4 (a) For purposes of this section, the term:

5 (1) "Remainderman" means the holder of the remainder interests after the expiration of a  
6 tenant's estate in property.

7 (2) "Tenant" means the holder of an estate for life.

8 (b) If a trust has not been created, expenses shall be apportioned between the tenant and  
9 remainderman as follows:

10 (1) The following expenses are allocated to and shall be paid by the tenant:

11 (i) All ordinary expenses incurred in connection with the administration, management, or  
12 preservation of the property, including interest on a debt secured by the property, ordinary repairs,  
13 regularly recurring taxes assessed against the property, and expenses of a proceeding or other matter  
14 that concerns primarily the tenant's estate or use of the property.

15 (ii) Recurring premiums on insurance covering the loss of the property or the loss of income  
16 from or use of the property.

17 (iii) Any of the expenses described in subsection (b)(2)(iii) of this section which are  
18 attributable to the use of the property by the tenant.

19 (2) The following expenses are allocated to and shall be paid by the remainderman:

1           (i) Payments on the principal of a debt secured by the property, except to the extent the  
2 debt is for expenses allocated to the tenant.

3           (ii) Expenses of a proceeding or other matter that concerns primarily the title to the  
4 property, other than title to the tenant's estate.

5           (iii) Except as provided in subsection (b)(1)(iii) of this section, expenses related to  
6 environmental matters, including reclamation, assessing environmental conditions, remedying and  
7 removing environmental contamination, monitoring remedial activities and the release of  
8 substances, preventing future releases of substances, collecting amounts from persons liable or  
9 potentially liable for the costs of such activities, penalties imposed under environmental laws or  
10 regulations and other payments made to comply with those laws or regulations, statutory or  
11 common law claims by third parties, and defending claims based on environmental matters.

12           (c) Expenses relating to extraordinary repairs are allocated and shall be paid as follows:

13           (1) If the tenant or remainderman incurred an expense for the benefit of their own estate  
14 without consent or agreement of the other, they shall pay such expense in full.

15           (2) Except as provided in subsection (c)(1) of this section, the cost of, or special taxes or  
16 assessments for, an improvement representing an addition of value to property forming part of the  
17 tenant's estate shall be paid by the tenant if the improvement is not reasonably expected to outlast  
18 the estate of the tenant. In all other cases, only a part shall be paid by the tenant while the remainder  
19 shall be paid by the remainderman.

20           (i) The part payable by the tenant is ascertainable by taking that percentage of the total that  
21 is found by dividing the present value of the tenant's estate by the present value of an estate of the  
22 same form as that of the tenant, except that it is limited for a period corresponding to the reasonably  
23 expected duration of the improvement.

24           (ii) The computation of present values of the estates shall be made by using the rate defined  
25 in 26 U.S.C. § 7520, then in effect and, in the case of an estate for life, the official mortality tables  
26 then in effect under 26 U.S.C. § 7520. Other evidence of duration or expectancy may not be  
27 considered.

28           (d) This section does not apply to the extent it is inconsistent with the instrument creating  
29 the estates, the agreement of the parties, or the specific direction of the taxing or other statutes.

30           (e) The common law applicable to tenants and remaindermen supplements this section,  
31 except as modified by this section or other laws.

1 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO PROPERTY -- ESTATES IN REAL PROPERTY

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- 1           This act would define the apportionment of financial responsibilities for expenses and
- 2   improvements to the real property of the life estate between the life tenant and remainderman.
- 3           This act would take effect upon passage.

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