

**140.020 Taxation of transfers made in contemplation of death -- Revocable trusts --  
Presumption of contemplation -- When presumption does not apply.**

- (1) The terms of this chapter shall apply to any property or interest therein, of which the decedent has made a transfer by trust or otherwise, in contemplation of or intended to take effect in possession or enjoyment at or after death, including a transfer under which the transferor has retained for his life or any period not ending before his death (a) the possession or enjoyment of, or the income from the property; or (b) the actual or contingent power to designate the persons who shall possess the property or the income therefrom, except in the case of a bona fide sale for an adequate and full consideration in money or money's worth. It shall further apply to any property conveyed in trust over which the settlor has a power of revocation exercisable by will.
- (2) Every transfer made within three (3) years prior to the death of the grantor, vendor or donor of a material part of his estate, or in the nature of a final disposition or distribution thereof, and without an adequate valuable consideration, shall be construed prima facie to have been made in contemplation of death within the meaning of this chapter. If a transfer was made more than three (3) years prior to the death of the decedent it shall be a question of fact, to be determined by the proper tribunal, whether the transfer was made in contemplation of death.
- (3) There shall be no presumption of contemplation of death as to certificates of deposit jointly owned and all such certificates of deposit shall be taxed pursuant to KRS 140.050.

**Effective:** July 15, 1982

**History:** Amended 1982 Ky. Acts ch. 387, sec. 6, effective July 15, 1982. -- Amended 1978 Ky. Acts ch. 170, sec. 1, effective June 17, 1978. -- Amended 1942 Ky. Acts ch. 204, sec. 2. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. secs. 4281a-13, 4281a-17.

**Legislative Research Commission Note.** Although this section was included in Acts 1982 ch. 387 as being amended, the changed wording was deleted by House Floor Amendment.