

# What You Should Know about P.O.D. Accounts

**Q.: What is a "P.O.D. account"?**

**A.:** "P.O.D." stands for "payable on death." A P.O.D. account is owned by one person (called the owner) who has named another person (called the beneficiary) to receive any money left in the account when the owner dies. A P.O.D. account may be a savings account, checking account, or certificate of deposit at a bank, savings and loan or credit union.

**Q.: If I own a P.O.D. account, who controls the money in the account while I'm still alive?**

**A.:** You control the money. You can withdraw the entire amount if you wish. While you are alive, the beneficiary has no right or interest in the account and cannot withdraw any money from your account.

**Q.: Can I change the beneficiary after my P.O.D. account has been opened?**

**A.:** Yes. You have the right to change the beneficiary as often as you wish while you are still alive and capable. However, it is important for you to contact your bank, because no change of beneficiary is effective unless it is completed on the form used by the bank in the manner designated by the bank.

**Q.: Does the beneficiary have to be a person? What about charities and other organizations?**

**A.:** No, the beneficiary does not have to be a person. Under Ohio law, any entity or organization can be named as a beneficiary of a P.O.D. account, including charities.

**Q.: Can I name more than one beneficiary at a time?**

**A.:** Yes, Ohio law allows you to name more than one beneficiary for your P.O.D. account. However, you should determine whether your bank permits multiple beneficiaries and if your bank has a special form to designate multiple beneficiaries.

**Q.: What happens to the money in my P.O.D. account when I die?**

**A.:** Any money in the account when you die will pass automatically to your beneficiary or beneficiaries. As long as your designated beneficiaries survive you, the money will not pass under your Last Will and Testament and will not be subject to administration in the probate court.

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*Law You Can Use is a weekly consumer legal information column provided to this newspaper by the Ohio State Bar Association. This article was prepared by Dr. Thomas P. Gallanis, a professor of law at The Ohio State University College of Law, and updated by Michael L. Wear, Esq., a partner with the law firm of Hahn Loeser + Parks LLP, in Akron, Ohio.*

*Articles appearing in this column are intended to provide broad, general information about the law. Before applying this information to a specific legal problem, readers are urged to seek advice from an attorney.*

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