

How is a Life Insurance Policy Divided According to the Laws of Yerusha?

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Question: When someone passes away and has a life insurance policy that is payable upon his death, how does halacha view that with regard to inheritance?

Answer: There is a lot of discussion amongst earlier Poskim with regard to money paid out for wrongful death and the like in terms of *yerusha*. In theory, if life insurance would be paid out to an estate, it would be subject to the rules of *yerusha*. However, in general, a person who purchases a life insurance policy designates a beneficiary, and the Poskim generally assume that whoever is named as the beneficiary is entitled to the policy's payout, irrespective of the laws of *yerusha*.

Question: Would the same be true of a joint bank account?

Answer: If a husband and wife have a joint bank account and the husband passes away, in theory, the children would be *yoresh* under the laws of *yerusha*. In practice, however, joint bank accounts are often structured with a "right of survivorship", which is a designation that the surviving spouse becomes the complete owner of the account when one spouse dies. This is not a *yerusha*; rather, it is a clause in the account that the surviving spouse becomes the full owner of the money.

In an instance where the law says the account goes to the surviving spouse but it is not an explicit designation, the Poskim debate whether the wife would get the money since the law gives it to her or if she has to return it to the true *yorshim*.