



Ohio Revised Code

Section 3915.052 Interest payable on policy proceeds.

Effective: October 8, 1992

Legislation: House Bill 427 - 119th General Assembly

(A) On and after January 1, 1993, any life insurance company authorized to do business in this state shall pay interest, in accordance with division (B) of this section and subject to division (C) of this section, on any proceeds that become due pursuant to the terms of a life insurance policy other than a credit life insurance policy.

(B) The interest payable pursuant to division (A) of this section shall be computed from the date of the death of the insured to the date of the payment of the proceeds and shall be at whichever of the following rates is greater:

(1) The annual short-term applicable federal rate for purposes of section 1274(d) of the Internal Revenue Code, as defined in section 5747.01 of the Revised Code, in effect for the month in which the insured died;

(2) The current rate of interest on proceeds left on deposit with the company under an interest settlement option contained in the life insurance policy.

(C) Division (A) of this section does not require, and shall not be construed as requiring, the payment of interest unless the insured was a resident of this state on the date of his death and unless the beneficiary under the life insurance policy elects in writing to receive, or a written election has been made for the beneficiary to receive, the proceeds of the policy by means of a lump sum payment.

(D) Nothing in this section allows, or shall be construed as allowing, any insurance company to withhold the payment to any beneficiary of death proceeds under a life insurance policy for a period that is inconsistent with division (K) of section 3915.05 of the Revised Code or is longer than reasonably necessary to transmit the death proceeds.
