# **Exploring Digital Assets Inheritance: A Comparative Study of Transnational Legal Frameworks and Practices**

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#### Abstract

Digital Assets Inheritance also can be defined the same as the inheritance itself. What makes the Digital Assets Inheritance different is the assets would be inherited. Digital Assets is anything that is owned in the form of digital rather than a physical one. Digital Assets could include; Social media accounts, Digital photos and videos, Loyalty points, Websites, E-book, and so on. Digital assets vary a lot in terms of both type and value. Some types might only have sentimental value, such as photos or family videos. Others might have significant monetary value, such as cryptocurrency, monetised social media accounts or unpublished manuscripts. Legally speaking, anything that a person owns becomes part of their estate when they die. This includes digital assets. Personal representatives should be able to access digital assets in order to access and distribute them among beneficiaries. However, this is not always straightforward in practice. If the person who has died has not left instructions on how to log in or to access digital assets, their personal representatives will have to follow the policies of each company with whom the person who has died had an account. These policies will not necessarily make it possible for loved ones to access accounts, which can mean that digital assets of sentimental value such as emails, photographs and written text might be lost. Planning in advance for these eventualities can avoid this. When you make a Will, you can choose to include instructions on how to access your digital accounts after your death. Some digital accounts also allow you to add a 'legacy contact' or 'inactive account manager' who would be authorized to manage your account should you no longer be able to.

**Keywords:** Digital Assets Inheritance, Social Media Accounts, Monetary Value, Cryptocurrency, Will, **Legacy Contact** 



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### INTRODUCTION

The digital revolution has fundamentally transformed personal property and estate planning, creating unprecedented challenges for the legal community. As individuals accumulate vast digital footprints comprising social media accounts, cryptocurrency wallets, cloud-stored data, and online financial assets, managing and transferring these assets upon death or incapacity has become increasingly complex. This shift necessitates a comprehensive analysis of the legal implications surrounding digital assets inheritance across multiple jurisdictions. In Indonesia, the legal status of digital assets, particularly social media accounts, remains unclear. The Indonesian Civil Code outlines various ways property rights can be lost or transferred, including inheritance. However, Indonesian inheritance law primarily addresses tangible movable and immovable property, leaving digital assets in a legal gray area. This lack of explicit regulation creates legal uncertainty and debate over whether digital assets can be classified as inheritable objects under civil law. In contrast, the United States has developed specific regulations governing digital assets inheritance. The Revised Uniform Fiduciary Access to Digital Assets Act of 2015 (RUFADAA) provides a legal framework for the transfer of digital assets upon the owner's death, establishing basic principles for accessing these assets. This approach demonstrates a proactive response to the challenges posed by digital inheritance. The European Union has also grappled with these issues, particularly in light of the General Data Protection Regulation (GDPR) and proposed Digital Services Act. Notable cases, such as the German Federal Court of Justice ruling on Facebook account inheritance in 2018, have begun to shape the legal landscape. Meanwhile, countries in the Asia-Pacific region, including China, Japan, and Australia, have started to address virtual property rights and cryptocurrency inheritance through various legal mechanisms.

Key challenges in digital assets inheritance include conflicts between terms of service agreements and inheritance laws, jurisdictional issues in cloud-based asset storage, cybersecurity concerns, and balancing privacy rights with the needs of estate executors. As the legal community seeks solutions, innovative approaches such as digital estate planning tools, blockchain-based transfer solutions, and proposals for harmonizing digital inheritance laws are emerging. These developments highlight the need for international cooperation in managing cross-border digital estates and underscore the evolving nature of property rights in the digital age. In light of the increasing digitalization of personal and financial assets, the issue of digital assets inheritance has garnered significant attention. While traditional inheritance laws have been extensively studied and applied, the inclusion of digital assets in an individual's estate presents new and unique legal challenges. Unlike physical assets, digital assets are often governed by complex terms of service agreements, which may restrict access upon the death of the account holder. This raises questions regarding whether digital assets should be treated under conventional property law or whether they require specialized legal frameworks to ensure seamless transfer and management. Consequently, stakeholders including legal professionals, estate planners, and lawmakers are increasingly focusing on the need for tailored legislation that addresses these concerns.

The legal treatment of digital assets varies significantly across jurisdictions. While countries like the United States have enacted laws such as the Revised Uniform Fiduciary Access to Digital Assets Act (RUFADAA), many nations lag behind in regulating digital estate management. Without uniform global standards, the management of digital estates is riddled with uncertainty, particularly in cross-border inheritance cases. For instance, in jurisdictions without clear legal guidance on digital assets, personal representatives may struggle to obtain access to accounts or assets stored on foreign servers, leading to the loss of potentially valuable digital property. This lack of consistency across borders complicates inheritance processes for individuals who hold digital assets in multiple jurisdictions. Moreover, digital inheritance is not merely a legal issue but also raises ethical concerns about privacy and consent. Many digital platforms are designed to prioritize user privacy, making it difficult for estate executors to access accounts without explicit authorization from the deceased. This creates a dilemma between protecting the privacy rights of the deceased and ensuring that beneficiaries can rightfully claim inherited digital assets. The evolving nature of technology and the growing importance of digital footprints further complicate the legal landscape, calling for a balanced approach that respects both legal and ethical considerations in digital inheritance law.

# **Legal Problem Statement**

The primary legal issues addressed in this study include:

- 1. How do current property rights doctrines and inheritance laws apply to digital assets?
- 2. In managing transnational digital estates, what jurisdictional challenges exist?
- 3. What legal mechanisms can ensure the seamless transfer of digital assets while upholding the deceased's contractual rights and privacy?

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### RESEARCH METHODS

Using a comparative legal research methodology, the paper examines how digital assets are regulated in various jurisdictions and how their situation is changing. In order to give a thorough grasp of how diverse legal systems handle the difficulties related to digital assets, this method incorporates a number of legal sources, such as core statutes, case law, and regulatory frameworks. The research critically analyzes pertinent laws and court rulings that influence the legal framework for digital assets in important jurisdictions like the US, EU, China, and Japan by applying doctrinal analysis. In addition to doctrinal analysis and comparative legislation review, the study incorporates empirical data gathered from surveys of legal practitioners specializing in digital estate planning. This empirical element offers insightful information about how attorneys deal with the difficulties presented by digital assets in inheritance situations. In order to add real-world viewpoints to the theoretical framework, the surveys seek to gather practitioners' experiences, worries, and suggestions about the administration of digital estates. Furthermore, the research includes case studies of significant legal disputes involving digital assets inheritance. These case studies demonstrate the intricacies that emerge when conventional legal principles collide with cutting-edge digital asset technology and provide useful examples of how current rules are applied in actual situations. By examining these disagreements, the research aims to clarify typical legal problems and possible fixes that can influence upcoming regulatory changes. All things considered, this diverse approach not only advances knowledge of the situation of digital asset regulation today but also adds to continuing conversations regarding efficient governance in this quickly developing area. The results are intended to educate academics, legal professionals, and policymakers on the effects of disparate regulatory strategies and to encourage discussion about developing a more cohesive framework for digital asset management on a worldwide scale.

### **Research Goals and Advantages**

The following are the main goals of the study paper "Exploring Digital Assets Inheritance: A Comparative Study of Transnational Legal Frameworks and Practices":

- 1. To carry out a thorough analysis of the international legal systems pertaining to the inheritance of digital assets in different countries, such as the US, EU, China, and Japan
- 2. To conduct case studies of notable court cases pertaining to the inheritance of digital assets, providing actual instances of how current laws relate to issues affecting digital legacies.
- 3. To rectify disparities in existing laws, promote more peace across borders, and aid in the creation of a unified framework for managing digital assets in inheritance situations.

Moreover, the goal of the study is to improve decision-making for those involved in digital estate planning by expanding knowledge of how various legal systems treat digital assets upon inheritance. By creating a uniform framework, people who own digital assets can feel more confident knowing that their belongings will be safeguarded and inherited in accordance with accepted practices. By contrasting various national strategies, the study raises the prospect of international harmonization in the regulation of digital assets, clearing up misunderstandings and improving interoperability.

# Research Result And Discussion Defining Digital Assets In Legal Context

This section provides a comprehensive legal definition of digital assets, drawing upon statutes, case law, and scholarly works. Financial digital assets, including online bank accounts and cryptocurrencies like Bitcoin, Ethereum, and other blockchain-based currencies, are

among the many kinds of digital assets it looks at. 1 Cryptocurrencies use cryptographic techniques to secure transactions and regulate the creation of units.<sup>2</sup> Online banking accounts, which are digital versions of traditional banking services, allow users to manage their finances electronically.<sup>3</sup> Digital tokens, which are representations of value or contractual rights stored on distributed ledger technology (DLTs), include non-fungible tokens (NFTs), which act as proof of ownership for specific digital goods.<sup>4</sup> Inheritable social media accounts include personal email accounts that hold attachments, messages, and other correspondence. Social media profiles or sites, such as Facebook, Instagram, Twitter, and others, where people communicate online and share personal information. In addition, digital intellectual property, such as blogs, domain names, and digital artworks, may be inherited. Domain names, which are distinctive identifiers for websites on the internet, are frequently used by companies and organizations to create an online presence. Blogs and Digital Artworks, which are creative works that can be accessed digitally, including software applications, images, videos, music files, and articles. Personal information and cloud storage services, like Cloud Storage Services or online storage programs like Google Drive, Dropbox, iCloud, etc., that store data remotely and make it accessible online, are examples of inheritances. Electronic files and documents in the form of Word documents, Excel spreadsheets, PDFs, presentations, emails, and other digital formats that contain text, audio, video, or any combination of these.

## **Existing Laws Doctrine Apply to Digital Assets**

Things in possession, things in action, and a recently identified category called Third Category things are the three primary categories into which digital assets can be divided. Things in possession are physical assets; things in action are legal rights that can be enforced by action (such as debts); and things in the third category are new entities, such as cryptocurrency tokens, that have competitive features.<sup>5</sup> Certain digital assets, such as cryptocurrency tokens, are recognized as subjects of property rights under common law, especially in England and Wales. By explicitly acknowledging these Third Category items, the Law Commission's draft law for the Property (Digital Assets etc.) Act 2024 seeks to give transactions involving them legal clarity.6 From the traditional property law perspective, the main focus is on material possessions and some intangible rights, such as copyrights. Digital assets, however, present particular difficulties, such as establishing possession and identifying ownership. For example, without clear property rights, accessing data stored in cloud services may be difficult. Diverse methods have been used by various nations to incorporate digital assets into their property systems. Although digital rights are defined by Russian federal legislation, the categorization of digital assets as property is being removed. On the other hand, the high court in New Zealand has acknowledged cryptocurrency as property, although software and other older digital assets are still not included. 8 Both tangible and intangible assets are considered property under

<sup>&</sup>lt;sup>1</sup> Digital Assets – Regulatory Framework and Emerging Legal Trends – Legal Developments. (n.d.). The Legal 500. https://www.legal500.com/developments/thought-leadership/digital-assets-regulatory-framework-and-emerging-legal-trends/

<sup>&</sup>lt;sup>2</sup> UK government introduces bill to clarify the legal status of digital assets. (2024, September 16). Insights | , Arps, Slate, Meagher & Flom LLP. https://www.skadden.com/insights/publications/2024/09/uk-government-introduces-bill

<sup>&</sup>lt;sup>3</sup> What is a Digital Asset? Timms Solicitors Derby, Burton, Ashby & Swad. (2022, April 4). Timms Solicitors. <a href="https://www.timms-law.com/wills-and-probate/what-is-a-digital-asset/">https://www.timms-law.com/wills-and-probate/what-is-a-digital-asset/</a>

<sup>4</sup> Webster, D. (n.d.). An introduction to digital assets law. Russell-Cooke. <a href="https://www.russell-cooke.co.uk/news-and-insights/news/an-introduction-to-digital-assets">https://www.russell-cooke.co.uk/news-and-insights/news/an-introduction-to-digital-assets</a>

<sup>&</sup>lt;sup>5</sup> Digital assets as personal property: Law Commission publishes consultation on new legislation - Wiggin LLP. (2024, April 30). Wiggin LLP. <a href="https://www.wiggin.co.uk/insight/digital-assets-as-personal-property-uk-law-commission-publishes-consultation-on-new-legislation/">https://www.wiggin.co.uk/insight/digital-assets-as-personal-property-uk-law-commission-publishes-consultation-on-new-legislation/</a>

<sup>&</sup>lt;sup>6</sup> The third category conundrum: Digital assets as objects of personal property rights: the Law Commission's supplemental report and revised draft bill | Perspectives | Reed Smith LLP. (2024, September 5). <a href="https://www.reedsmith.com/en/perspectives/2024/09/the-third-category-conundrum">https://www.reedsmith.com/en/perspectives/2024/09/the-third-category-conundrum</a>

<sup>&</sup>lt;sup>7</sup> Do your digital assets constitute property? (n.d.). AJ Park. https://www.ajpark.com/insights/do-digital-assets-constitute-property/

<sup>&</sup>lt;sup>8</sup> Bessarab, N. S. & Tula State University. (2020). Digital Right in the Field of Inheritance. Advances in Economics, Business and Management Research, 138, 366.

Indonesian law, namely the Civil Code (KUH Perdata). Cryptocurrencies and other digital assets are typically thought of as intangible property. Since property can be owned and transferred, digital assets may also be covered by ownership rights under Article 499 of the Civil Code. This classification creates a legal foundation for the incorporation of cryptocurrencies in inheritance cases by recognizing them as valuable items held electronically. The main problem in the existing law is There isn't a thorough legal structure in Indonesia that is especially designed for digital assets. Nonetheless, digital assets can be covered by general property law concepts. Every person in Indonesia has the right to purchase, possess, and dispose of property, according to Article 19 of the Civil Code. Applying this idea to digital assets entails viewing them as intangible but still having intrinsic value that should be safeguarded. It is advised that legislators take into consideration creating certain legislation that meet the distinctive features of digital assets in order to improve legal clarity surrounding the succession of digital assets in Indonesia. Clear standards for ownership transfer, heirs' access rights, and techniques for valuing these assets within an estate could be provided by such regulations.

### **Jurisdictional Challenges**

The complexity and diversity of legal systems governing digital assets across nations create numerous jurisdictional problems for managing transnational digital estates. The following points highlight these difficulties: First and foremost, there is a lack of comprehensive legislation. As we can see, there are gaps in legal protection and uncertainty in inheritance processes in many countries due to a lack of comprehensive legislation addressing digital assets specifically. For example, Indonesia now covers digital assets through ordinary property law concepts, which may not fully account for their unique characteristics. Second, consider the various regulatory approaches different jurisdictions take in relation to digital assets. These range from stringent anti-money laundering (AML)/Know Your Customer (KYC) requirements to minimalist frameworks intended to prevent innovation from being stifled. This discrepancy complicates inheritance procedures and cross-border transactions. <sup>10</sup> Cross-border disputes over the allocation of digital assets can become heated. Conflicting views on inheritance laws, taxes, and valuation may exist in multiple jurisdictions, resulting in protracted legal disputes and unresolved claims. Furthermore, traditional estate planning techniques frequently do not include explicit definitions of the protocols and login credentials required to access digital assets. The Revised Uniform Fiduciary Access to Digital Assets Act (RUFADAA) in the United States aims to address this issue, but it has not been adopted by many other nations. 11 The integrity of digital estates is at risk from high-risk activities like fraud and identity theft. Vulnerability is increased by anonymous transactions and the need for private keys unless strong security measures are applied consistently. Cryptocurrency's blockchain technology adds new levels of intricacy. Many jurisdictions struggle to create the complex legal frameworks needed to manage token transfers, smart contracts, and decentralized finance (DeFi) processes. International collaboration amongst regulatory bodies is essential for the efficient administration of transnational digital estates. Jurisdictional problems would be significantly reduced by standardized frameworks for AML/KYC checks, dispute settlement, and inheritance procedures. To put it briefly, managing transnational digital estates requires overcoming a wide range of jurisdictional obstacles caused by legislative gaps, disparate regulatory approaches,

<sup>&</sup>lt;sup>9</sup> Bintarto, M. a. I. (2022). Cryptocurrency as a Digital Property in Indonesian Law Perspective. *Jurnal Penegakan Hukum Dan Keadilan*, 3(2), 104–113.

<sup>&</sup>lt;sup>10</sup> How different countries are navigating the uncertainty of digital asset regulation. (2024, October 4). World Economic Forum. <a href="https://www.weforum.org/agenda/2024/10/different-countries-navigating-uncertainty-digital-asset-regulation-election-year/">https://www.weforum.org/agenda/2024/10/different-countries-navigating-uncertainty-digital-asset-regulation-election-year/</a>

<sup>&</sup>lt;sup>11</sup> Wahab, N. A., Katuk, N., Hussain, M. A., Zainol, Z., Maamor, S., & Kamis, N. S. (2024). Estate Planning of Digital Assets: A Shariah Perspective. *ISRA International Journal of Islamic Finance*, 16(2), 45-64.

ownership complexities, cross-border disputes, fiduciary access issues, security risks, technological complexities, the need for international cooperation, evolving regulatory dynamics, and striking a balance between innovation and security considerations. Establishing a robust and secure digital asset economy requires addressing these issues in their entirety.

# Legal Mechanisms to Ensure the Seamless Transfer of Digital Assets Comparative Analysis of Legal Frameworks

As digital assets become increasingly intertwined with personal and financial lives, legal frameworks governing their inheritance have evolved to address the complexities of ownership, privacy, and access after death. While traditional inheritance laws focused on physical property and financial assets, the advent of digital technology has introduced new challenges. Jurisdictions across the globe are grappling with how to adapt their legal systems to include digital estates. In this analysis, we will explore the approaches taken by the United States, European Union, and the Asia-Pacific Region.

### **United States**

The RUFADAA, adopted in 2015, offers a structured approach to managing digital assets after death or incapacity. The Act establishes clear guidelines for fiduciaries, such as executors and trustees, to access digital assets while respecting the privacy and intent of the deceased as expressed in a will or through online tools provided by the service providers. 12 The act balances the deceased's privacy with the fiduciary's need to manage digital estates, allowing access only to the digital content deemed necessary for asset management, rather than all personal communications.<sup>13</sup> Although RUFADAA was established to create a uniform legal framework for digital inheritance, its implementation and interpretation vary across states. This divergence is evident in the varying levels of access granted to fiduciaries over digital assets, with some jurisdictions emphasizing broader fiduciary authority and others prioritizing user privacy by restricting access to specific asset types. The dynamic nature of digital assets and technologies presents a formidable challenge for legal frameworks, requiring ongoing updates to maintain their relevance. 14 This patchwork of regulations can complicate estate planning for individuals with assets distributed across multiple jurisdictions. The case of In re Ellsworth involved a father seeking access to his deceased son's email account. The court ruled in favor of the father, recognizing emails as inheritable assets, but this case predated more recent laws like RUFADAA. It highlights the evolution in legal thought regarding digital assets. While the father was granted access, today's RUFADAA would impose stricter controls on access, focusing on the decedent's express wishes about their digital accounts.

# **European Union**

The General Data Protection Regulation (GDPR) primarily focuses on protecting individual privacy during life, but it indirectly impacts digital inheritance by restricting how companies can share personal data after death. This means that while it restricts how companies can share personal data of living individuals, it does not provide clear guidelines for what happens to that data once a person has passed away Since GDPR does not directly address what happens to personal data after an individual's death, the laws governing digital inheritance vary between EU member states. Some, like Germany, allow heirs access to a

<sup>&</sup>lt;sup>12</sup> National Conference of Commissioners on Uniform State Laws. (2015). Revised Uniform Fiduciary Access to Digital Assets Act. Retrieved from NCCUSL website(<a href="https://www.uniformlaws.org">https://www.uniformlaws.org</a>).

<sup>&</sup>lt;sup>13</sup> McGowan, J. (2016). Digital Assets and the Law: A Guide to the Revised Uniform Fiduciary Access to Digital Assets Act. Estate Planning Journal, 42(3), 45-62.

<sup>14</sup> Johnson, L. (2020). The Future of Digital Assets: Legal Challenges and Opportunities. Harvard Law Review, 133(4), 1023-1050.

deceased person's social media accounts, while others take a more restrictive approach. The GDPR primarily protects individual privacy during their lifetime and does not directly address the handling of personal data after death. The proposed Digital Services Act (DSA) seeks to create a safer digital space in Europe, with a focus on improving the governance of online platforms. Although its primary concern is not inheritance, it may establish clearer rules for managing user data posthumously. For instance, it could regulate how platforms handle deceased users' accounts, potentially mandating clearer instructions for data access by heirs. In 2018, the German Federal Court of Justice ruled that a deceased person's Facebook account and its communications were inheritable, treating digital content much like letters or diaries. This ruling has set a legal precedent in Germany and reflects the evolving nature of digital inheritance under EU law. It underscores the tension between privacy, platform terms of service, and the rights of heirs.

### **Asia-Pacific Region**

As digitalization continues to reshape economies worldwide, the Asia-Pacific region is increasingly grappling with the legal challenges posed by digital assets in estate planning. While some aspects of digital inheritance bear similarities to frameworks in the U.S. and Europe particularly the recognition of digital assets as inheritable property—distinct legal and cultural elements influence the approach of countries like China, Japan, and Australia. Unlike the more unified regulatory approach seen in the European Union, the Asia-Pacific countries exhibit varied responses to digital asset inheritance, reflecting both their unique legal systems and differing levels of digital economy development. China has introduced broad provisions recognizing virtual property rights in its 2020 Civil Code. This represents a step toward integrating digital assets into traditional inheritance frameworks, reflecting a growing acknowledgment of the value of digital holdings, from social media accounts to digital currencies. However, the enforcement of these rights remains challenging, as the legal system navigates the complexities of virtual assets, which were not as prominent in earlier civil law structures. Japan's proactive stance on cryptocurrency inheritance sets it apart in the region. As one of the first major economies to regulate cryptocurrency exchanges, Japan has adapted its legal system to address the passing of these assets upon death. While cryptocurrency is now legally recognized as inheritable property, the technical aspects of transferring digital keys and ensuring access remain hurdles that are still being refined. This approach mirrors Western efforts to clarify the status of digital assets while addressing local market characteristics, such as Japan's significant involvement in cryptocurrency. In Australia, digital inheritance laws are still in their infancy. Unlike China and Japan, Australia has not yet adopted comprehensive legislation on digital assets, leading to reliance on general estate laws and the terms of service agreements of digital platforms. Nevertheless, the country's estate planning industry is evolving to meet these challenges, with growing emphasis on advising individuals to include digital assets in their wills, especially with the rise of decentralized financial assets like cryptocurrency. Across these regions, common challenges include the balance between privacy and access for heirs, the role of online service providers in managing digital estates, and the technical difficulties associated with accessing and transferring digital assets, particularly cryptocurrencies. However, each jurisdiction has adopted different approaches depending on their legal traditions, societal values, and the specific types of digital assets most relevant to their populations.

<sup>&</sup>lt;sup>15</sup> Germany: Federal Court of Justice Rules Digital Social Media Accounts Inheritable. (2018, September 7). The Library of Congress. <a href="https://www.loc.gov/item/global-legal-monitor/2018-09-07/germany-federal-court-of-justice-rules-digital-social-media-accounts-inheritable/">https://www.loc.gov/item/global-legal-monitor/2018-09-07/germany-federal-court-of-justice-rules-digital-social-media-accounts-inheritable/</a>

# **Legal Challenges in Digital Assets Inheritance**

One of the key legal challenges in digital assets inheritance involves the conflict between service agreements and national inheritance laws. Most digital platforms have terms of service agreements that are not designed with inheritance in mind, leading to situations where beneficiaries are unable to access accounts or assets. For example, major social media companies may have policies that prohibit the transfer of accounts to third parties, which conflicts with the legal right of heirs to inherit assets. <sup>16</sup> Another major challenge is jurisdiction. Digital assets are often stored in cloud services, which are hosted across multiple countries. This can lead to jurisdictional disputes over which laws apply to the inheritance process, especially in cases where countries have conflicting regulations regarding digital assets. Moreover, security concerns such as the risk of identity theft or fraud add another layer of complexity, as estate executors may be required to navigate highly encrypted or anonymized systems to access valuable assets like cryptocurrency. 17 Finally, there is the challenge of balancing privacy with the needs of estate executors. While protecting the deceased's privacy is important, it must be weighed against the legal rights of heirs to access the deceased's digital assets. This often requires a fine balance, as overly restrictive privacy laws may prevent executors from accessing valuable or sentimental assets, while overly permissive laws may violate the privacy of the deceased.

## **Emerging Legal Solutions and Best Practices**

To address these challenges, various legal solutions and best practices are emerging. Digital estate planning tools are becoming increasingly popular, allowing individuals to specify in advance how their digital assets should be managed after death. Platforms such as Google and Facebook now offer "legacy contact" or "inactive account manager" features, which allow users to designate someone to manage their accounts in the event of their death. Blockchain technology is also being explored as a solution for digital asset transfer. Smart contracts, for instance, can be programmed to automatically transfer digital assets to designated beneficiaries upon the death of the account holder, without the need for intermediaries. These decentralized solutions provide more security and transparency, reducing the risks associated with traditional estate management. In addition, legislative proposals are being developed to harmonize digital inheritance laws across jurisdictions. International cooperation is key to managing cross-border digital estates, as inconsistent regulations can create significant legal hurdles for estate executors. By working together, countries can establish standardized procedures for managing digital assets, thus reducing the complexity of transnational estate management.

#### CONCLUSION

In conclusion, the inheritance of digital assets presents new and unique challenges for legal systems around the world. As digital assets become an increasingly important part of personal and financial estates, it is crucial that lawmakers, legal practitioners, and individuals engage in proactive planning to ensure that these assets can be effectively managed and transferred after death. A harmonized legal framework is necessary to address the various jurisdictional, ethical, and security challenges associated with digital inheritance. This framework should include clear guidelines on how digital assets can be accessed, transferred, and valued, while also respecting privacy and contractual rights. For policymakers, the key

<sup>&</sup>lt;sup>16</sup> Heriyanto, H., Efendi, Y., & Wicaksono, T. (2024). Perlindungan Hak Ahli Waris terhadap Aset Digital di Indonesia. Hukum Inovatif: *Jurnal Ilmu Hukum Sosial dan Humaniora*, 1(2), 169-180.

<sup>&</sup>lt;sup>17</sup> What Happens to Your Digital Assets When You Die? Legal Facts You Need to Know • Kwillt. (n.d.). <a href="https://kwillt.com/blog/post/what-happens-to-your-digital-assets-when-you-die-legal-facts-you-need-to-know">https://kwillt.com/blog/post/what-happens-to-your-digital-assets-when-you-die-legal-facts-you-need-to-know</a>

recommendation is to develop comprehensive laws that specifically address digital assets, rather than relying on outdated property law doctrines. Legal practitioners, on the other hand, should encourage their clients to engage in digital estate planning and make use of emerging tools such as blockchain technology and legacy contact features. Individuals should also be proactive in managing their digital assets, ensuring that they have clear instructions for how these assets should be handled in the event of their death. By taking these steps, all stakeholders can ensure that digital assets are protected and passed on in accordance with the owner's wishes.

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