Bill No.: HB0145 **Effective:** 7/1/2015

LSO No.: 15LSO-0196

Enrolled Act No.: HEA 47

Chapter No.: 79

Prime Sponsor: Brown

Catch Title: Principal and income act amendments.

Subject: Duties of trustees related to trusts.

Summary/Major Elements:

- The Wyoming Uniform Principal and Income Act specifies how a trustee of a trust is to allocate payments and receipts between the income and principal of the trust. This bill revises the act in the following manner:

    - The bill specifies the trustee may include realized capital gains as trust income on an annual basis.

    - The bill revises the items the trustee is required to make disbursements from income to include: interest, except interest on taxes; ordinary repairs and maintenance of real estate; and real estate taxes and other regularly recurring taxes assessed against principal.

    - The bill revises the items the trustee is required to make disbursements from principal to include: extraordinary expenses related to administration, management or preservation of the trust; extraordinary repairs; and expenses in connection with accountings and judicial or other proceedings to construe, modify or reform the trust or to protect the trust or its property.

    - The bill provides a trustee may allocate the ordinary expenses incurred in connection with trust property and the distribution of income between principal and income.