HOUSE BILL NO. HB0124

Uniform Trust Code amendments.

Sponsored by: Representative(s) Greear and Pelkey and Senator(s) Nethercott

A BILL

for

AN ACT relating to the Uniform Trust Code; amending and creating a definition relating to interested persons; providing for distribution of trust assets as specified; and providing for an effective date.

*Be It Enacted by the Legislature of the State of Wyoming:*

**Section 1.** W.S. 4-10-111(a), 4-10-201 by creating a new subsection (d) and 4-10-816(a)(xxviii) and (b) are amended to read:

**4-10-111. Nonjudicial settlement agreements.**

(a) For purposes of this section, "interested persons" means ~~noncharitable beneficiaries eligible to~~

~~receive current distributions from the trust~~ a qualified beneficiary, the settlor, if living, the trustee and trust protector, if any.

**4-10-201. Role of court in administration of trust.**

(d) For purposes of this section, "interested persons" means a qualified beneficiary, the settlor, if living, the trustee and trust protector, if any.

**4-10-816. Specific powers of trustee.**

(a) Without limiting the authority conferred by W.S. 4-10-815, a trustee may:

(xxviii) ~~On distribution~~ Distribute all or any portion of trust income or principal in further trust for the benefit of the trust beneficiaries pursuant to authority granted in the trust instrument to make discretionary or mandatory distributions of trust income or principal to ~~a~~ the trust ~~beneficiary~~ beneficiaries, whether or not the discretionary or mandatory distributions are pursuant to an ascertainable standard. ~~, make distributions~~

~~of all or any portion of trust income or principal~~ Distribution by the trustee in further trust is an exercise of a limited power of appointment;

(b) The power provided in paragraph (a)(xxviii) of this section shall not be exercised in any manner that would prevent qualification for a federal estate or gift tax marital deduction, federal estate or gift tax charitable deduction, or other federal income, estate, gift or generation-skipping transfer tax benefit claimed for the trust from which the distribution in further trust is made. If the trustee exercising the power permitted under paragraph (a)(xxviii) of this section is a beneficiary of the trust from which the distribution in further trust is made, the trustee's interest as a beneficiary in the trust shall not be changed. A trustee shall not be liable for exercising the power permitted under paragraph (a)(xxviii) of this section if the power is exercised in good faith.

**Section 2.** This act is effective July 1, 2017.

(END)