

UNIFORM PRINCIPAL AND INCOME ACT (EXCERPT)
Act 159 of 2004

555.813 Marital deduction; insufficient income from or use of trust assets; actions to be taken by trustee.

Sec. 413.

(1) If a marital deduction is allowed for all or part of a trust whose assets consist substantially of property that does not provide the spouse with sufficient income from or use of the trust assets, and if the amounts that the trustee transfers from principal to income under section 104 and distributes to the spouse from principal pursuant to the terms of the trust are insufficient to provide the spouse with the beneficial enjoyment required to obtain the marital deduction, the spouse may require the trustee to make property productive of income, convert property within a reasonable time, or exercise the power conferred by section 104(1). The trustee may decide which action or combination of actions to take.

(2) In cases not governed by subsection (1), proceeds from the sale or other disposition of an asset are principal without regard to the amount of income the asset produces during any accounting period.

History: 2004, Act 159, Eff. Sept. 1, 2004