

POWERS OF APPOINTMENT ACT OF 1967 (EXCERPT)
Act 224 of 1967

556.112 Powers of appointment act; definitions.

Sec. 2.

As used in this act:

- (a) "Property" means any legal or equitable interest in real or personal property, including choses in action.
- (b) "Power" means a power of appointment over property.
- (c) "Power of appointment" means a power created or reserved by a person having property subject to his or her disposition that enables the donee of the power to designate, within any limits that may be prescribed, the transferees of the property or the shares or the interests in which it shall be received. The term power of appointment may include a power of amendment or revocation, but does not include a power of sale or a power of attorney.
- (d) "Donor" means a person who creates or reserves a power.
- (e) "Donee" means a person to whom a power is granted or reserved.
- (f) "Appointee" means a person to whom a beneficial interest in property is designated or transferred by exercise of a power or, if a power is exercised in favor of a trustee, a person for whose benefit property has been designated or transferred in trust.
- (g) "Creating instrument" means a deed, will, trust agreement, or other writing or document that creates or reserves a power.
- (h) "General power" means a power, the permissible appointees of which include the donee, his or her estate, his or her creditors, or the creditors of his or her estate. The term general power includes a power that is not expressly restricted as to appointees. A power may be general as to some property and special as to other property.
- (i) "Special power" means a power, the permissible appointees of which do not include the donee, his or her estate, his or her creditors, or the creditors of his or her estate.
- (j) "Gift in default" means a transfer to a person designated in the creating instrument as the transferee of property if a power is not exercised or is released.
- (k) "Release" means renunciation, relinquishment, surrender, refusal to accept, and any other form of release.
- (l) A power of appointment is "presently" exercisable whenever the creating instrument does not manifest an intent that its exercise shall be solely by will or otherwise postponed.
- (m) "EPIC" means the estates and protected individuals code, 1998 PA 386, MCL 700.1101 to 700.8206.
- (n) "MTC" means article VII of EPIC, MCL 700.7101 to 700.7913.
- (o) "Trust" means that term as defined in section 2901 of EPIC, MCL 700.2901.
- (p) "Irrevocable trust" means a trust over which no person holds a power of revocation. A power holder's lack of capacity to exercise a power of revocation negates the power of revocation unless an agent of the power holder under a durable power of attorney, a conservator of the power holder, or a plenary guardian of the power holder is serving and the agent, conservator, or guardian is authorized to exercise the power of revocation.
- (q) "Trustee" means a fiduciary or set of co-fiduciaries as described in section 2901(2)(j) of EPIC, MCL 700.2901.

History: 1967, Act 224, Eff. Nov. 2, 1967 ;-- Am. 2012, Act 485, Imd. Eff. Dec. 28, 2012