

Unitrusts; SB 403

SB 403 amends the unitrust provision of the Uniform Principal and Income Act (1997). It allows the trustee to modify the percentage utilized in determining the unitrust distribution, provided the trustee gives proper notice to the qualified beneficiaries of the trust, no qualified beneficiary objects to the modification, and the modification is approved by the district court.

Additionally, the bill allows a trustee to reconvert from a unitrust without judicial procedure if the trustee determines the intent of the settlor or testator, and the purposes of the trust, are no longer served by the conversion to a unitrust. The trustee is required to give each qualified beneficiary notice of the intent to reconvert. If a qualified beneficiary objects to the reconversion, the trustee must petition the district court for reconversion.