

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington St., Suite 301
Indianapolis, IN 46204
(317) 233-0696
iga.in.gov

FISCAL IMPACT STATEMENT

LS 6169

BILL NUMBER: HB 1205

NOTE PREPARED: Jan 13, 2022

BILL AMENDED:

SUBJECT: Uniform Trust Decanting Act and Trustee Duties.

FIRST AUTHOR: Rep. Young J

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: No Fiscal Impact

Summary of Legislation: The bill allows a trustee of an irrevocable trust to appoint a successor trustee or multiple trustees. It provides that a trustee's power to appoint a successor trustee includes the power to allocate trustee powers to one or more trustees. It enacts the uniform trust decanting act. It creates a definition of the decanting power to include a power by a trustee to make limited modifications to an irrevocable trust, including an asset transfer to a new trust. It requires that a modification be consistent with a settlor's or charitable organization's intent. It permits the trustee of an existing trust to make modifications to or distributions from an existing trust for the benefit of a disabled beneficiary. It prohibits a trustee from being required to decant. It also requires advanced notice to all qualified beneficiaries. (The introduced version of this bill was prepared by the Probate Code Commission.)

Effective Date: July 1, 2022.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Corrin Harvey, 317-234-9438.