

Regular Session, 2012

HOUSE BILL NO. 476

BY REPRESENTATIVE ABRAMSON

(On Recommendation of the Louisiana State Law Institute)

1 AN ACT

2 To amend and reenact R.S. 9:1951 and to enact R.S. 9:1953, relative to the Louisiana Trust
3 Code; to provide for the general rule for trusts created for mixed private and
4 charitable purposes; to provide for the assignment of interest in a trust created for
5 mixed private and charitable purposes; to provide for the termination of a trust
6 created for mixed private and charitable purposes; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 9:1951 is hereby amended and reenacted and R.S. 9:1953 is hereby
9 enacted to read as follows:

10 SUBPART O. TRUSTS FOR MIXED PRIVATE AND
11 CHARITABLE PURPOSES

12 §1951. General rule

13 A trust may be created for mixed private and ~~educational~~, charitable, ~~or~~
14 ~~religious~~ purposes. The ~~dispositions~~ dispositive provisions of such a trust in favor
15 of private beneficiaries are governed by the provisions of this Code; those in favor
16 of ~~other~~ charitable beneficiaries are governed by ~~R.S. 9:2271 through 9:2337 relating~~
17 ~~to trusts for educational, charitable, or religious purposes~~ Parts I through IV of
18 Chapter 2 of Code Title II of Code Book III of this Title. As long as there remains
19 a private beneficiary, the trust shall be administered in accordance with the
20 provisions of ~~R.S. 9:2061 through 9:2173~~ this Code. ~~Unitrusts and annuity trusts as~~
21 ~~defined in the United States Internal Revenue Code are mixed trusts.~~

22 * * *

1 §1953. Assignment of interest in trust and termination of trust for mixed private and
2 charitable purposes

3 A. A private beneficiary of a trust for mixed private and charitable purposes,
4 including a spendthrift trust, may at any time gratuitously assign to a charitable
5 principal beneficiary of the trust a fraction or all of his private interest in the trust,
6 unless the trust instrument specifically contains a special needs provision or provides
7 otherwise. An interest that is assignable only to a charitable principal beneficiary of
8 the trust shall not be deemed to be subject to voluntary alienation for purposes of
9 R.S. 9:2004.

10 B. If the trust instrument provides for the termination of the trust at the end
11 of the specified term of the private interests, the trust may be terminated early as to
12 the portion of the trust that, for any reason, no longer has a private beneficiary.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____