

S T A T E O F N E W Y O R K

10047--A

I N A S S E M B L Y

May 2, 2012

Introduced by M. of A. WEINSTEIN -- read once and referred to the Committee on Judiciary -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the estates, powers and trusts law, in relation to the payment of interest on delayed legacies; and to repeal paragraphs (d) and (e) of section 11-1.5 of the estates, powers and trusts law and subdivision 7 of section 2102 of the surrogate's court procedure act relating thereto

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Paragraphs (d) and (e) of section 11-1.5 of the estates,
2 powers and trusts law are REPEALED.
3 S 2. Paragraph 3 of section 11-A-2.1 of the estates, powers and trusts
4 law, as added by chapter 243 of the laws of 2001, is amended to read as
5 follows:
6 (3) [A] UNLESS OTHERWISE PROVIDED BY THE TERMS OF THE WILL OR TRUST,
7 COMMENCING (A) SEVEN MONTHS FROM EITHER THE DATE OF DEATH OR OTHER DATE
8 A BENEFICIARY IS TO RECEIVE A PECUNIARY AMOUNT OUTRIGHT IF LETTERS ARE
9 NOT REQUIRED, OR (B) SEVEN MONTHS FROM THE TIME LETTERS, INCLUDING
10 PRELIMINARY OR TEMPORARY LETTERS, ARE GRANTED IF LETTERS ARE REQUIRED, A
11 fiduciary shall distribute INCOME to a beneficiary who receives a pecu-
12 niary amount outright [the interest or any other amount provided by the
13 will, the terms of the trust, or applicable law], from net income deter-
14 mined under paragraph (2) or from principal to the extent that net
15 income is insufficient[. If a beneficiary is to receive a pecuniary
16 amount outright from a trust after an income interest ends and no inter-
17 est or other amount is provided for by the terms of the trust or appli-
18 cable law, the fiduciary shall distribute the interest or other amount
19 to which the beneficiary would be entitled under applicable law if the
20 pecuniary amount were required to be paid under a will], OF AN AMOUNT
21 EQUAL TO THE PECUNIARY AMOUNT MULTIPLIED BY AN INCOME FACTOR, WHICH
22 SHALL BE SET (OR RESET) ON THE FIRST BUSINESS DAY OF EACH CALENDAR YEAR
23 AND FIXED FOR THAT CALENDAR YEAR AT THE TARGET FEDERAL FUNDS RATE AS
24 ANNOUNCED BY THE FEDERAL RESERVE BOARD (OR IN THE EVENT THE TARGET

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets [] is old law to be omitted.

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1 FEDERAL FUNDS RATE IS A RANGE OF RATES, THE HIGH OF THAT RANGE) LESS ONE
2 PERCENT, BUT IN NO EVENT LESS THAN ONE-HALF OF ONE PERCENT.

3 S 3. Subdivision 7 of section 2102 of the surrogate's court procedure
4 act is REPEALED.

5 S 4. This act shall take effect on the sixtieth day after it shall
6 have become a law and shall apply to the estates of decedents who shall
7 have died on or after such date.