

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

9930

I N A S S E M B L Y

April 27, 2016

Introduced by M. of A. WEINSTEIN -- read once and referred to the
Committee on Judiciary

AN ACT to amend the estates, powers and trusts law, in relation to a
trustee's power to adjust under the prudent investor act

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

1 Section 1. Subparagraph 5 of paragraph (b) of section 11-2.3 of the
2 estates, powers and trusts law is amended by adding a new clause (G) to
3 read as follows:
4 (G) ANY EXERCISE OF THE POWER TO ADJUST UNDER THIS SUBPARAGRAPH,
5 WHETHER FROM INCOME TO PRINCIPAL OR FROM PRINCIPAL TO INCOME, SHALL
6 CONSTITUTE A RE-CHARACTERIZATION OF THE TRANSFERRED AMOUNT FROM INCOME
7 TO PRINCIPAL OR FROM PRINCIPAL TO INCOME, AS THE CASE MAY BE, FOR
8 PURPOSES OF CALCULATING COMMISSIONS UNDER ARTICLE TWENTY-THREE OF THE
9 SURROGATE'S COURT PROCEDURE ACT AND, FOR SUCH PURPOSES, SUCH RE-CHARAC-
10 TERIZATION SHALL BE DEEMED TO TAKE EFFECT ON THE DATE THAT SUCH TRANSFER
11 FROM INCOME TO PRINCIPAL OR FROM PRINCIPAL TO INCOME, AS THE CASE MAY
12 BE, IS MADE ON A TRUST'S RECORDS.
13 S 2. This act shall take effect on the first of January next succeed-
14 ing the date on which it shall have become a law.

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

LBD15003-02-6