



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 22 (as reported without amendment)
Senate Bill 23 (Substitute S-1 as reported)
Sponsor: Senator Tonya Schuitmaker
Committee: Judiciary

CONTENT

Senate Bill 22 would amend the Uniform Statutory Rule Against Perpetuities to revise an exception to provisions of that law for property subject to the Personal Property Trust Perpetuities Act. Currently, the exception is for an interest in, or power of appointment over, personal property held in a trust that is either revocable on or created after the effective date of that Act. The bill, instead, refers to an interest or power of appointment to which that Act applies.

Senate Bill 23 (S-1) would amend the Personal Property Trust Perpetuities Act to make the Act inapplicable to a trust to the extent it is a special appointee trust.

The Act applies only to a nonvested interest in, or power of appointment over, personal property held in a trust that is either revocable on, or created after, the Act's effective date.

The bill also specifies that the Act would apply only to the extent that the trust is not a special appointee trust. For this purpose, a trust would be a special appointee trust to the extent it includes assets that were held in a trust that was irrevocable on September 25, 1985, if the assets have continuously been held in trust, and have not become subject to a general power of appointment, since that date.

MCL 554.75 (S.B. 22)
554.94 (S.B. 23)

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bills would have no fiscal impact on State or local government.

Date Completed: 1-26-11

Fiscal Analyst: Matthew Grabowski