TRUSTS OF PROPERTY FOR EMPLOYEES
Act 193 of 1947

AN ACT relative to the validity, duration and effectiveness of certain trusts of any property created by an employer as part of a stock bonus plan, pension plan, disability or death benefit plan, or profit-sharing plan; and to permit the accumulation of the income arising from such trusts.

History: 1947, Act 193, Eff. Oct. 11, 1947;—Am. 1951, Act 61, Eff. Sept. 28, 1951.

The People of the State of Michigan enact:

555.301 Trust of property for employees; effect of rule against perpetuities.

Sec. 1. A trust of any kind of property created by an employer as part of a stock bonus plan, pension plan, disability or death benefit plan, or profit-sharing plan, for the exclusive benefit of some or all of his employees, to which contributions are made by such employer or employees, or both, for the purpose of distributing to such employees the earnings or the principal, or both earnings and principal, of the fund so held in trust, shall not be deemed to be invalid as violating the so-called rule against perpetuities, any other existing law against perpetuities or any law restricting or limiting the duration of trusts; but such a trust may continue for such time as may be necessary to accomplish the purposes for which it was created.

History: 1947, Act 193, Eff. Oct. 11, 1947;—CL 1948, 555.301;—Am. 1951, Act 61, Eff. Sept. 28, 1951.

555.302 Trusts of property for employees; accumulation of trust income.

Sec. 2. The income arising from any trust within the classifications mentioned in the preceding section may be permitted to accumulate in accordance with the terms of such trust for as long a time as may be necessary to accomplish the purposes for which the same was created, notwithstanding any existing law or laws limiting the period during which trust income may be accumulated.

History: 1947, Act 193, Eff. Oct. 11, 1947;—CL 1948, 555.302.

CAUTION! This document is from an archive and may contain outdated information.

© Legislative Council, State of Michigan Courtesy of www.legislature.mi.gov