

Article - Estates and Trusts

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§15-517.

(a) (1) In this section, “liquidating asset” means an asset whose value will diminish or terminate because the asset is expected to produce receipts for a period of limited duration.

(2) “Liquidating asset” includes a leasehold, patent, copyright, royalty right, and right to receive payments during a period of more than 1 year under an arrangement that does not provide for the payment of interest on the unpaid balance.

(3) “Liquidating asset” does not include a payment subject to § 15-516 of this subtitle, resources subject to § 15-518 of this subtitle, timber subject to § 15-519 of this subtitle, an activity subject to § 15-521 of this subtitle, an asset subject to § 15-522 of this subtitle, or any asset for which the trustee establishes a reserve for depreciation under § 15-525 of this subtitle.

(b) A trustee shall allocate to income 10 percent of the receipts from a liquidating asset and the balance to principal.

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