Article - Estates and Trusts

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§15–501.

(a) In this subtitle the following words have the meanings indicated.

(b) (1) "Accounting period" means a calendar year unless another 12-month period is selected by a fiduciary.

(2) "Accounting period" includes a portion of a calendar year or other 12-month period that begins when an income interest begins or ends when an income interest ends.

(c) "Beneficiary" includes, in the case of a decedent's estate, an heir and legatee and, in the case of a trust, an income beneficiary and a remainder beneficiary.

(d) (1) "Fiduciary" means a personal representative or a trustee.

(2) "Fiduciary" includes an executor, administrator, successor personal representative, special administrator, and a person performing substantially the same function.

(e) (1) "Income" means money or property that a fiduciary receives as current return from a principal asset.

(2) "Income" includes a portion of receipts from a sale, exchange, or liquidation of a principal asset, to the extent provided in Part IV of this subtitle.

(f) "Income beneficiary" means a person to whom net income of a trust is or may be payable.

(g) "Income interest" means the right of an income beneficiary to receive all or part of net income, whether the terms of the trust require it to be distributed or authorize it to be distributed in the trustee's discretion.

(h) "Mandatory income interest" means the right of an income beneficiary to receive net income that the terms of the trust require the fiduciary to distribute.

(i) "Net income" means the total receipts allocated to income during an accounting period minus the disbursements made from income during the period, plus or minus transfers under this subtitle to or from income during the period.

(j) "Person" means an individual, corporation, business trust, statutory trust, estate, trust, partnership, limited liability company, association, joint venture, government; governmental subdivision, agency, or instrumentality; public corporation, or any other legal or commercial entity.

(k) "Principal" means property held in trust for distribution to a remainder beneficiary when the trust terminates.

(l) "Remainder beneficiary" means a person entitled to receive principal when an income interest ends.

(m) "Terms of a trust" means the manifestation of the intent of a settlor or decedent with respect to the trust, expressed in a manner that admits of its proof in a judicial proceeding, whether by written or spoken words or by conduct.

(n) "Trustee" includes an original, additional, or successor trustee, whether or not appointed or confirmed by a court.

(o) "Unitrust" means a trust from which the income beneficiary is entitled to receive annually a fixed percentage of the fair market value of the trust's assets.

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