

Trust Law Roundup: Delaware: New Tools for Tending an Evolving Landscape

Article

08.01.2019

Trusts & Estates Magazine

In June, Delaware enacted its latest installment of annual trust legislation. Trust Act 2019 includes many revisions and clarifications, but two new statutes, Sections 3343 and 3344 of Title 12 of the Delaware Code, represent material advancements in the law.

Both statutes grant new trust powers that will help trustees and beneficiaries effectuate a trust's purpose and maximize administrative efficiency. Section 3343 provides that when the terms of a trust instrument give someone the power to appoint a successor trustee, she's now deemed to have the power to appoint multiple successor and additional trustees and to allocate specific trustee powers to one or more of the trustees exclusively and exclude other trustees from having that responsibility.

Section 3344 provides that when a trust is taxed as a grantor trust for federal income tax purposes, unless the governing instrument provides otherwise, the trustee may in its discretion (or at the direction of an advisor) reimburse the trustor for the taxes attributable to the ordinary income and capital gains of the trust, even when the governing instrument doesn't expressly authorize such distributions.

Click here to read the full article.

Todd A. Flubacher and J. Zachary Haupt, "Trust Law Roundup: Delaware: New Tools for Tending an Evolving Landscape," *Trusts & Estates Magazine* (August 2019)

PROFESSIONALS

Todd A. Flubacher

J. Zachary Haupt

Trust Law Roundup: Delaware: New Tools for Tending an Evolving Landscape

PRACTICE AREAS

Trusts & Estates/Private Client

