

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1998.

Approved May 21, 1998.

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**CHAPTER 694**

**(House Bill 495)**

AN ACT concerning

**Estates and Trusts - Rule Against Perpetuities**

FOR the purpose of exempting certain trusts from the common-law rule against perpetuities; providing for the application of this Act; and generally relating to the application of the common-law rule against perpetuities.

BY repealing and reenacting, with amendments,

Article - Estates and Trusts

Section 11-102

Annotated Code of Maryland

(1991 Replacement Volume and 1997 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article - Estates and Trusts**

11-102.

Subject to §§ 4-409 and 11-103, the common-law rule against perpetuities as now recognized in the State is preserved, but the rule does not apply to the following:

(a) A legacy or inter vivos conveyance having a value of \$5,000 or less, or of any burial lot of any value, in trust or otherwise, for the purpose of providing for the perpetual care or keeping in good order and condition, or making repairs to, any lot, vault, mausoleum, or other place of sepulture belonging to any individual or several individuals in any cemetery or graveyard, the lots in which are intended for the burial of members of the family, family connections, relatives, or friends of the owners, or their successors in ownership.

(b) A legacy or inter vivos conveyance intended to transfer assets from any corporation incorporated for charitable objects, to any other charitable corporation on a contingency or future event.

(c) A trust created by an employer as part of a pension, stock bonus, disability, death benefit, profit-sharing, retirement, welfare, or other plan for the exclusive benefit of some or all of the employees of the employer or their beneficiaries, to which contributions are made by the employer or employees, or both the employer and employees, for the purpose of making distributions to or for the benefit of employees