

CHAPTER 580.

(House Bill 355)

AN ACT to add a new Article to the Code of Public General Laws of Maryland, to be numbered Article 75B, title "Principal and Income"; such new Article relating to the ascertainment of principal and income and the apportionment or allotment of receipts and expenses between owners of successive estates or interests.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That a new Article to be known as Article 75B, title "Principal and Income", be and the same is hereby added to the Code of Public General Laws of Maryland, such new Article to read as follows:

ARTICLE 75B.

PRINCIPAL AND INCOME.

1. (*Definition of Terms.*) "Principal" as used in this act means any realty or personalty which has been so set aside or limited by the owner thereof or a person thereto legally empowered that it and any substitutions for it are eventually to be conveyed, delivered or paid to a person, while the return therefrom or use thereof or any part of such return or use is in the meantime to be taken or received by or held for accumulation for the same or another person.

"Income" as used in this act means the return derived from principal.

"Tenant" as used in this act means the person or persons to whom income is presently or currently payable, or for whom it is accumulated or who is or are entitled to the beneficial use of the principal presently and for a time prior to its distribution.

"Remainderman" as used in this act means the person or persons ultimately entitled to the principal, whether named or designated by the terms of the transaction by which the principal was established or determined by operation of law.

"Trustee" as used in this act includes the original trustee or trustees of any trust to which the principal may be subject and also any succeeding or added trustee or trustees.

2. (*Application of Article subject to Powers of Settlor.*) Subject to the provisions of Section 10, this Article shall govern the ascertainment of income and principal, and the apportionment of receipts and expenses between tenants and remaindermen, in all cases where a principal has been estab-