

May 16, 2002

The Honorable Casper R. Taylor, Jr.
Speaker of the House
State House
Annapolis MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed House Bill 881 – Uniform Principal and Income Act – Unitrust Conversion – Adjustments Between Principal and Income.

This bill authorizes a trustee to convert a trust to a unitrust or to make adjustments between the principal and income of a trust under certain circumstances. The bill applies to each trust or decedent's estate existing on or after October 1, 2002.

Senate Bill 641, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 881.

Sincerely,
Parris N. Glendening
Governor

House Bill No. 881

AN ACT concerning

Uniform Principal and Income Act – Unitrust Conversion – Adjustments Between Principal and Income

FOR the purpose of authorizing a trustee to convert a trust to a unitrust or make adjustments between principal and income under certain circumstances; requiring a trustee to give notice to certain ~~beneficiaries~~ persons of certain proposed decisions regarding the power to convert a trust to a unitrust or to adjust between principal and income; providing for judicial review of a proposed decision; clarifying the right of a trustee to adjust between income and principal because of taxes with respect to certain liquidating distributions from certain entities; making certain conforming changes; defining a certain term; providing for the application of this Act; and generally relating to allocations between principal and income of estates and trusts.

BY adding to

Article – Estates and Trusts
Section 15-501(o), 15-502.1, 15-502.2, and 15-502.3
Annotated Code of Maryland
(2001 Replacement Volume and 2001 Supplement)

BY repealing and reenacting, with amendments,

Article – Estates and Trusts