

15-515.

(A) (1) If a trustee determines that an allocation between principal and income required by § 15-516, § 15-517, § 15-518, § 15-519, or § 15-522 of this subtitle is insubstantial, the trustee may allocate the entire amount to principal UNLESS ONE OF THE CIRCUMSTANCES DESCRIBED IN § 15-502.2(D) OF THIS SUBTITLE APPLIES TO THE ALLOCATION.

(2) THIS POWER MAY BE EXERCISED BY A COTRUSTEE IN THE CIRCUMSTANCES DESCRIBED IN § 15.502.2(E) OF THIS SUBTITLE, AND MAY BE RELEASED FOR THE REASONS AND IN THE MANNER DESCRIBED IN § 15-502.2(F) OF THIS SUBTITLE.

(B) An allocation is presumed to be insubstantial if:

(1) The amount of the allocation would increase or decrease net income in an accounting period, as determined before the allocation, by less than 10 percent; or

(2) The value of the asset producing the receipt for which the allocation would be made is less than 10 percent of the total value of the trust's assets at the beginning of the accounting period.

15-520.

(a) (1) If a marital deduction is allowed for all or part of a trust whose assets consist substantially of property that does not provide the spouse with sufficient income from or use of the trust assets, AND IF THE AMOUNTS THAT THE TRUSTEE TRANSFERS FROM PRINCIPAL TO INCOME UNDER § 15-502.2(A) OF THIS SUBTITLE AND DISTRIBUTES TO THE SPOUSE FROM PRINCIPAL IN ACCORDANCE WITH THE TERMS OF THE TRUST ARE INSUFFICIENT TO PROVIDE THE SPOUSE WITH THE BENEFICIAL ENJOYMENT REQUIRED TO OBTAIN THE MARITAL DEDUCTION, the spouse may require the trustee to make property productive of income, [or] convert property within a reasonable time, OR MAY REQUEST THE TRUSTEE EXERCISE THE POWER CONFERRED BY § 15-502.2(A) OF THIS SUBTITLE.

(2) The trustee may decide which action or combination of actions to take.

(b) In cases not governed by subsection (a) of this section, proceeds from the sale or other disposition of an asset are principal without regard to the amount of income the asset produces during any accounting period.

15-528.

(a) A fiduciary may make adjustments between principal and income to offset the shifting of economic interests or tax benefits between income beneficiaries and remainder beneficiaries which arise from:

(1) Elections and decisions, other than those described in subsection (b) of this section, that the fiduciary makes from time to time regarding tax matters;