

ESTATES AND PROTECTED INDIVIDUALS CODE (EXCERPT)
Act 386 of 1998

700.3907 Pecuniary bequests and trust interests.

Sec. 3907.

(1) This section governs a distribution in kind in satisfaction, wholly or partly, of a pecuniary bequest or transfer in trust of a pecuniary amount.

(2) Whether a devise or transfer in trust is pecuniary in character depends upon the testator's or settlor's intention.

(3) If the fiduciary elects to satisfy wholly or partly in kind a pecuniary devise or transfer in trust of a pecuniary amount, unless the governing instrument otherwise expressly provides, the property the fiduciary selects for that purpose shall be valued at its value on the distribution date.

(4) If a will or a trust agreement requires the personal representative or trustee to value the property the fiduciary selects for distribution as of a date other than the distribution date, unless the governing instrument otherwise expressly provides, the property selected to satisfy the pecuniary devise or transfer in trust, together with any cash distributed, shall have an aggregate value on the distribution date amounting to not less than, and to the extent practicable to not more than, the amount of the devise or transfer in trust as stated in, or determined by, the formula stated in the governing instrument.

(5) As used in this section, "pecuniary bequest" and "transfer in trust of a pecuniary amount" mean a devise in a will or a transfer under a trust agreement to, or for the benefit of, the testator's or settlor's spouse of a specific amount of money which amount is either expressly stated in the instrument or determinable by means of a formula that is stated in the instrument.

History: 1998, Act 386, Eff. Apr. 1, 2000

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