

**75-7-401 Methods of creating trust.**

(1) A trust may be created by:

- (a) transfer of property to another person as trustee during the settlor's lifetime or by will or other disposition taking effect upon the settlor's death;
- (b) declaration by the owner of property that the owner holds identifiable property as trustee; or
- (c) exercise of a power of appointment in favor of a trustee.

(2) A health savings account is established on the first day an individual is covered by a high deductible health plan, as defined in Section 223 of the Internal Revenue Code. The health savings account shall be opened with a trustee or custodian within the time prescribed by law, without extensions, for filing a federal income tax return for that year. A health savings account is established regardless of a transfer of cash or other property to the account and, unless required by the trustee or custodian, it is not necessary for any party to sign a health savings account trust or custodial agreement regarding the health savings account.

Amended by Chapter 278, 2009 General Session