

Effective 9/1/2024

75A-4-309 Capture doctrine -- Disposition of ineffectively appointed property under general power.

To the extent a powerholder of a general power of appointment, other than a power to withdraw property from, revoke, or amend a trust, makes an ineffective appointment:

- (1) the gift-in-default clause controls the disposition of the ineffectively appointed property; or
- (2) if there is no gift-in-default clause or to the extent the clause is ineffective, the ineffectively appointed property:
 - (a) passes to:
 - (i) the powerholder if the powerholder is a permissible appointee and is living; or
 - (ii) if the powerholder is an impermissible appointee or is deceased, the powerholder's estate if the estate is a permissible appointee; or
 - (b) if there is no taker under Subsection (2)(a), passes under a reversionary interest to the donor or the donor's transferee or successor in interest.

Renumbered and Amended by Chapter 364, 2024 General Session