



House of Representatives *State of Utah*

UTAH STATE CAPITOL COMPLEX • 350 STATE CAPITOL
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February 20, 2009

Mr. Speaker:

The Business and Labor Committee reports a favorable recommendation on **H.B. 195**, UTAH UNIFORM PROBATE CODE - TRUST AMENDMENTS, by Representative R. Lockhart, with the following amendments:

1. *Page 1, Lines 13 through 15:*

13 This bill:

14 ▶ expands the definition of "trust" in the Uniform Probate Code to include health

15 savings accounts as defined by the Internal Revenue Code ; and

▶ clarifies when a health savings account is established in relation to the account holder's federal income tax year .

2. *Page 1, Line 22:*

22 75-1-201, as last amended by Laws of Utah 2004, Chapter 89

= 75-7-401, as repealed and reenacted by Laws of Utah 2004, Chapter 89

3. *Page 7, Lines 205 through 206:*

205 the right of an individual or class to succeed to property of the decedent passing by
intestate

206 succession.

= Section 2. Section 75-7-401 is amended to read:

75-7-401. Methods of creating trust.

(1) A trust may be created by:

~~{(1)}~~ (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;

~~{(2)}~~ (b) declaration by the owner of property that the owner holds identifiable property as trustee; or

~~{(3)}~~ (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

Bill Number



HB0195

Action Class



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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.

Respectfully,

James A. Dunnigan
Committee Chair

Voting: 11-0-3

3 HB0195.HC1.WPD 2/20/09 9:21 am anicholson/AMN ECM/JDH

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