

VIRGINIA ACTS OF ASSEMBLY -- 1997 SESSION

CHAPTER 262

An Act to amend and reenact § 55-254 of the Code of Virginia, relating to Uniform Principal and Income Act; trusts.

[H 2572]

Approved March 11, 1997

Be it enacted by the General Assembly of Virginia:

1. That § 55-254 of the Code of Virginia is amended and reenacted as follows:

§ 55-254. Application of article; powers of settlor.

A. This article shall govern the ascertainment of income and principal, and the apportionment of receipts and expenses between tenants and remaindermen, in all cases when a principal has been established with or, unless otherwise stated hereinafter, without the interposition of a trust; except that in the establishment of the principal, provision may be made touching all matters covered by this article, and the person establishing the principal may himself direct the manner of ascertainment of income and principal and the apportionment of receipts and expenses or grant discretion to the trustee or other person to do so, and such provision and direction, when not otherwise contrary to law, shall control notwithstanding this article.

B. *If the trust instrument gives the trustee discretion in crediting a receipt or charging an expenditure to income or principal, or partly to each, no presumption of imprudence or partiality arises from the fact that the trustee has made an allocation contrary to the provisions of this article.*