



## **2013 Amendments to the Wyoming Uniform Trust Code**

### **Statutory Decanting – Wyo. Stat. § 4-10-816**

The amendment clarifies that the common law rule of decanting is recognized in Wyoming. If a trustee has the power to make discretionary distributions, the trustee may distribute property in further trust when such is advisable.

### **Self-Settled Discretionary Trusts – Wyo. Stat. § 4-10-506**

This amendment creates a new form of Wyoming self-settled asset protection trust—Wyoming Self-Settled Discretionary Income Trust (WSDIT). Creditor protection is provided under Wyo. Stat. § 4-10-504 with no exception creditors so long as the funding of the trust is not fraudulent and the trustee is a Wyoming regulated financial institution.

### **Expansion of Settlor's Rights for Qualified Spendthrift Trusts – Wyo. Stat. § 4-10-510**

A settlor of a self-settled asset protection trust—known as a Qualified Spendthrift Trust—may now retain additional powers and interests without threatening the trust's irrevocable status, including the ability to be reimbursed for income taxes attributable to the trust.

### **Narrower Exceptions to Qualified Transfers – Wyo. Stat. § 4-10-520**

This update provides that the exception for child support only applies to orders in effect and delinquent at the time the order is sought to be enforced against the trust. In addition, the exception for listing property on a credit application is now clearly limited to the financial institution receiving the application or statement, not other creditors.

### **Streamlined "Qualified Beneficiary" Rules – Wyo. Stat. § 4-10-103(a)(xv)**

By revising the definition of "qualified beneficiary," this amendment clarifies and simplifies consent, notice and other procedures that require the involvement of qualified beneficiaries.

### **Perpetuities Period for Noncharitable Purpose Trust – Wyo. Stat. § 4-10-410**

This amendment confirms that there is no separate perpetuities law limiting the duration of noncharitable purpose trusts in Wyoming.

### **Standard of Review – Wyo. Stat. §§ 4-10-517, -521**

This statute applies the clear and convincing standard of judicial review to whether a transfer of assets to a self-settled asset protection trust violates the Uniform Fraudulent Transfer Act.