

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass and Be Placed on the Consent Calendar
Vote:	10 - 0 - 0
Yeas:	Garrett, Hicks, Nolan, Olson, Schaufler, Tomei, Wand, Whisnant, Barker, Krieger
Nays:	0
Exc.:	0
Prepared By:	Cheyenne Ross, Counsel
Meeting Dates:	5/4, 5/17

WHAT THE MEASURE DOES: Revises Uniform Income and Principal Act. Clarifies that individual retirement account or similar retirement plan held by trust established for surviving spouse's benefit qualifies for federal estate tax marital deduction. Provides formula for calculating amounts that trust must distribute to beneficiaries and amounts that trust may use to pay taxes, when trust is required to pay taxes on entity in which trust holds interest. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Revisions already adopted in 20 states, and pending in others; adoptions maintain uniformity
- Approved by boards of all the work group participants

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Revisions to the Uniform Income and Principal Act were developed and adopted in 2008 by the National Conference of Commissioners on Uniform State Laws. Uniformity among states is desirable due primarily to tax implications. A work group was organized in Oregon to consider the revisions. This group consisted of accountants, professional fiduciaries, bank representatives, and attorneys.

Senate Bill 387 amends Oregon's Uniform Income and Principal Act consistent with the revisions adopted at the national level and is submitted jointly by the Estate Planning Section of the Oregon State Bar, the Oregon Society of Certified Public Accountants, and the Oregon Bankers Association.