

390.200 Disposition of unappointed property under released or unexercised general power.

To the extent a powerholder releases or fails to exercise a general power of appointment other than a power to revoke, amend, or withdraw property from a trust:

- (1) The gift-in-default clause controls the disposition of the unappointed property; or
- (2) If there is no gift-in-default clause or to the extent the clause is ineffective:
 - (a) Except as otherwise provided in paragraph (b) of this subsection, the unappointed property passes to:
 1. The powerholder if the powerholder is a permissible appointee and living; or
 2. If the powerholder is an impermissible appointee or not living, the powerholder's estate if the estate is a permissible appointee; or
 - (b) To the extent the powerholder released the power, or if there is no taker under paragraph (a) of this subsection, the unappointed property passes under a reversionary interest to the donor or the donor's transferee or successor in interest.

Effective: July 15, 2020

History: Created 2020 Ky. Acts ch. 41, sec. 19, effective July 15, 2020.