

House Bill 5498

A bill to amend 1967 PA 224, entitled
"Powers of appointment act of 1967,"
by amending section 4 (MCL 556.114).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. Unless otherwise provided in the creating instru-
2 ment, an instrument manifests an intent to exercise the power if
3 the instrument purports to transfer an interest in the appointive
4 property ~~which~~ THAT the donee would have no power to transfer
5 except by virtue of the power, even though the power is not
6 recited or referred to in the instrument, or if the instrument
7 either expressly or by necessary implication from its wording,
8 interpreted in the light of the circumstances surrounding its
9 drafting and execution, manifests an intent to exercise the
10 power. ~~If the creating instrument explicitly directs that no~~
11 ~~instrument shall be effective to exercise the power unless it~~

HB5498, As Passed House, March 15, 2000

H.B. 5498 as amended March 15, 2000

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1 ~~contains a reference to the specific power, an instrument which~~
2 ~~lacks such reference does not validly exercise the power.~~
3 Subject to the ~~foregoing~~ OTHER PROVISIONS OF THIS SECTION, if
4 there is a general power exercisable by will with no express gift
5 in default in the creating instrument, a residuary clause or
6 other general language in the donee's will purporting to dispose
7 of all of the donee's estate or property operates to exercise the
8 power, but in all other cases such a clause or language does not
9 in itself manifest an intent to exercise a power exercisable by
10 will.

[Enacting section 1. This amendatory act takes effect April 1,
2000.]