

POWERS OF APPOINTMENT ACT OF 1967 (EXCERPT)
Act 224 of 1967

556.124 Suspension or postponement of vesting of future interests; time period; definitions.

Sec. 14.

(1) The period during which the vesting of a future interest may be suspended or postponed by an instrument exercising a power of appointment begins on the effective date of the instrument of exercise in the case of a general power presently exercisable, and in all other situations, at the time of the creation of the power.

(2) In determining the period during which the vesting of a future interest may be suspended or postponed by the exercise of a power of appointment, if a second power is created by the exercise of a first power, and the first power is a presently exercisable general power, the second power is considered to have been created on the effective date of the instrument of exercise. In all other situations, the second power is considered to have been created at the time of the creation of the first power.

(3) The length of the period, whether finite or infinite, during which the vesting of a future interest may be suspended or postponed by exercise of a power is determined, from the beginning date specified in subsection (1), under the personal property trust perpetuities act, 2008 PA 148, MCL 554.91 to 554.94, or section 5(2) of the uniform statutory rule against perpetuities, 1988 PA 418, MCL 554.75, to the extent that all of the following conditions are satisfied:

(a) An instrument exercises a power of appointment so as to subject property to or to create a trust that is either revocable on or created after May 28, 2008.

(b) The appointive property is personal property.

(c) The trust is not a special appointee trust.

(4) As used in this section:

(a) "First power" means a power of appointment, an exercise of which has created another power of appointment.

(b) "Second power" means a power of appointment created by the exercise of a first power.

(c) "Special appointee trust" means that term as defined in section 4 of the personal property trust perpetuities act, 2008 PA 148, MCL 554.94.

History: 1967, Act 224, Eff. Nov. 2, 1967 ;-- Am. 2012, Act 485, Imd. Eff. Dec. 28, 2012