

136G.14 MINOR TRUST ACCOUNTS.

(a) This section applies to a plan account in which funds of a minor trust account are invested.

(b) The account owner may not be changed to any person other than a successor custodian or the beneficiary unless a court order directing the change of ownership is provided to the plan administrator. The custodian must sign all forms and requests submitted to the plan administrator in the custodian's representative capacity. The custodian must notify the plan administrator in writing when the beneficiary becomes legally entitled to be the account owner. An account owner under this section may not select a contingent account owner.

(c) The beneficiary of an account under this section may not be changed. If the beneficiary dies, assets in a plan account become the property of the beneficiary's estate. Funds in an account must not be transferred or rolled over to another account owner or to an account for another beneficiary. A taxable distribution from an account, or a distribution that qualifies as an exception under section 530(d)(4)(B)(ii) to (iv) of the Internal Revenue Code, must be used for the benefit of the beneficiary.

(d) Funds in an account for a beneficiary under this section may be rolled over into an ABLE account under section 529A of the Internal Revenue Code, subject to the limits and requirements of section 529A of the Internal Revenue Code.

History: 2003 c 133 art 3 s 24; 2005 c 107 art 2 s 46; 2020 c 109 art 2 s 16