

By the Committee on Banking and Insurance; and Senator Joyner

597-02400-15

2015630c1

1                   A bill to be entitled  
2           An act relating to transfers to minors; amending s.  
3           710.102, F.S.; defining the term "general power of  
4           appointment"; amending s. 710.105, F.S.; specifying  
5           that certain transfers from a trust are considered as  
6           having been made directly by the grantor of the trust;  
7           amending s. 710.123, F.S.; authorizing custodianships  
8           established by irrevocable gift and by irrevocable  
9           exercise of power of appointment to terminate when a  
10          minor attains the age of 25, subject to the minor's  
11          right in such custodianships to compel distribution of  
12          the property upon attaining the age of 21; limiting  
13          liability of financial institutions for certain  
14          distributions of custodial property; reenacting ss.  
15          710.117(2) and 710.121(2) and (6), F.S., to  
16          incorporate the amendment made to s. 710.105, F.S., in  
17          references thereto; providing an effective date.

18  
19 Be It Enacted by the Legislature of the State of Florida:

20  
21           Section 1. Subsections (9) through (18) of section 710.102,  
22           Florida Statutes, are redesignated as subsections (10) through  
23           (19), respectively, and a new subsection (9) is added to that  
24           section, to read:

25           710.102 Definitions.—As used in this act, the term:  
26           (9) "General power of appointment" means a power of  
27           appointment as defined in s. 732.2025(3).

28           Section 2. Section 710.105, Florida Statutes, is amended to  
29           read:

597-02400-15

2015630c1

30 710.105 Transfer by gift or exercise of power of  
31 appointment.—A person may make a transfer by irrevocable gift  
32 to, or the irrevocable exercise of a power of appointment in  
33 favor of, a custodian for the benefit of a minor pursuant to s.  
34 710.111. Notwithstanding s. 710.106, a transfer by irrevocable  
35 gift from a trust over which the grantor has at the time of  
36 transfer a right of revocation, as defined in s. 733.707(3)(e),  
37 shall be treated for all purposes under this act as a transfer  
38 made directly by the grantor of the trust.

39 Section 3. Section 710.123, Florida Statutes, is amended to  
40 read:

41 710.123 Termination of custodianship.—

42 (1) The custodian shall transfer in an appropriate manner  
43 the custodial property to the minor or to the minor's estate  
44 upon the earlier of:

45 (a) ~~(1)~~ The minor's attainment of 21 years of age with  
46 respect to custodial property transferred under s. 710.105 or s.  
47 710.106. However, a transferor may, with respect to such  
48 custodial property, create the custodianship so that it  
49 terminates when the minor attains 25 years of age;

50 (b) ~~(2)~~ The minor's attainment of ~~age~~ 18 years of age with  
51 respect to custodial property transferred under s. 710.107 or s.  
52 710.108; or

53 (c) ~~(3)~~ The minor's death.

54 (2) If the transferor of a custodianship under paragraph  
55 (1)(a) creates the custodianship to terminate when the minor  
56 attains 25 years of age, in the case of a custodianship created  
57 by irrevocable gift or by irrevocable inter vivos exercise of a  
58 general power of appointment, the minor nevertheless has the

597-02400-15

2015630c1

59 absolute right to compel immediate distribution of the entire  
60 custodial property when the minor attains 21 years of age.

61 (3) As to a custodianship described in subsection (2), a  
62 transferor may provide, by delivery of a written instrument to  
63 the custodian upon the creation of such custodianship, that the  
64 minor's right to compel immediate distribution of the entire  
65 custodial property will terminate upon the expiration of a fixed  
66 period that begins with the custodian's delivery of a written  
67 notice to the minor of the existence of such right. To be  
68 effective to terminate the minor's right to compel an immediate  
69 distribution of the entire custodial property when the minor  
70 attains 21 years of age, the custodian's written notice must be  
71 delivered at least 30 days before, and not later than 30 days  
72 after, the date upon which the minor attains 21 years of age,  
73 and the fixed period specified in the notice for the termination  
74 of such right may not expire before the later of 30 days after  
75 the minor attains 21 years of age or 30 days after the custodian  
76 delivers such notice.

77 (4) Notwithstanding the definition of the term "minor" in  
78 s. 710.102, if the transferor creates the custodianship to  
79 terminate when the minor attains 25 years of age, solely for  
80 purposes of the application of the termination provisions of  
81 this section, the term "minor" means an individual who has not  
82 attained 25 years of age.

83 (5) A financial institution has no liability to a custodian  
84 or minor for distribution of custodial property to, or for the  
85 benefit of, the minor in a custodianship created by irrevocable  
86 gift or by irrevocable exercise of a general power of  
87 appointment when the minor attains 21 years of age.

597-02400-15

2015630c1

88           Section 4. Subsection (2) of s. 710.117, Florida Statutes,  
89 and subsections (2) and (6) of s. 710.121, Florida Statutes, are  
90 reenacted for the purpose of incorporating the amendment made by  
91 this act to s. 710.105, Florida Statutes, in references thereto.

92           Section 5. This act shall take effect July 1, 2015.