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**STUDIES**

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Study 13:

Uniform Transfers to Minors Act

*Compiled by*

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# Uniform Transfers to Minors Act

	Alabama	Alaska	Arizona	Arkansas
1. Which version of UGMA/UTMA has been enacted:				
a. 1956 UGMA				
b. 1966 UGMA				
c. 1983 UTMA	X	X	X	X
2. Permissible custodial property:				
a. Any kind of property	X	X <sup>5</sup>	X	X
b. Securities, cash				
c. Savings and loan association accounts				
d. Credit union accounts				
e. Life insurance policies, annuity contracts				
f. Endowment policies				
g. Mineral interests				
h. Land				
i. Tangible personal property				
j. Other assets				
3. Custodian has power to purchase life insurance:				
a. On minor's life	X <sup>1</sup>	X <sup>6</sup>	X	X
b. On another person's life	X <sup>2</sup>	X <sup>7</sup>	X	X <sup>12</sup>
4. Who may be original custodian:				
a. Donor, adult, trust company	X	X	X	
b. Donor, adult family member, trust company				X
5. Custodian's standard of care is:				
a. Prudent person dealing with property of another	X	X	X	X
b. One seeking reasonable income and preservation of his capital				
c. Other:				
6. Claims of third parties:				
a. Generally limited to custodial property	X	X	X	X
b. Not limited to custodial property				
7. Who may be successor custodian:				
a. Adult, trust company	X			
b. Adult family member, guardian, trust company		X		X
8. Appointment of successor governed by:				
a. 1956 Act				
b. 1966 Act	X			
c. Liberalized procedure		X	X	X
9. Executor may distribute to custodian:				
a. If will authorizes distribution				
b. Whether or not will authorizes distribution	X <sup>3</sup>	X <sup>8</sup>	X	X <sup>13</sup>
10. Trustee may distribute to custodian:				
a. If trust authorizes distribution				
b. Whether or not trust authorizes distribution	X	X <sup>9</sup>	X	X <sup>13</sup>
11. Termination age:				
a. 18			X <sup>11</sup>	
b. 19	X <sup>4</sup>			
c. 21		X <sup>10</sup>	X <sup>11</sup>	X <sup>14</sup>

# Uniform Transfers to Minors Act

	California	Colorado	Connecticut	Delaware
1. Which version of UGMA/UTMA has been enacted:				
a. 1956 UGMA				
b. 1966 UGMA				
c. 1983 UTMA	X	X	X	X
2. Permissible custodial property:				
a. Any kind of property	X	X	X	X
b. Securities, cash				
c. Savings and loan association accounts				
d. Credit union accounts				
e. Life insurance policies, annuity contracts				
f. Endowment policies				
g. Mineral interests				
h. Land				
i. Tangible personal property				
j. Other assets				
3. Custodian has power to purchase life insurance:				
a. On minor's life	X	X	X	X
b. On another person's life	X	X	X <sup>16</sup>	X <sup>21</sup>
4. Who may be original custodian:				
a. Donor, adult, trust company	X	X	X	X
b. Donor, adult family member, trust company				
5. Custodian's standard of care is:				
a. Prudent person dealing with property of another	X	X		X
b. One seeking reasonable income and preservation of his capital			X	
c. Other:				
6. Claims of third parties:				
a. Generally limited to custodial property	X	X	X <sup>17</sup>	X
b. Not limited to custodial property				
7. Who may be successor custodian:				
a. Adult, trust company	X	X	X <sup>18</sup>	X
b. Adult family member, guardian, trust company			X <sup>19</sup>	
8. Appointment of successor governed by:				
a. 1956 Act				
b. 1966 Act				
c. Liberalized procedure	X	X	X	X
9. Executor may distribute to custodian:				
a. If will authorizes distribution				
b. Whether or not will authorizes distribution	X	X	X <sup>20</sup>	X
10. Trustee may distribute to custodian:				
a. If trust authorizes distribution				
b. Whether or not trust authorizes distribution	X	X	X <sup>20</sup>	X
11. Termination age:				
a. 18	X <sup>15</sup>			X <sup>22</sup>
b. 19				
c. 21	X <sup>15</sup>	X	X	

# Uniform Transfers to Minors Act

	District of Columbia	Florida	Georgia	Hawaii
1. Which version of UGMA/UTMA has been enacted:				
a. 1956 UGMA				
b. 1966 UGMA				
c. 1983 UTMA	X	X	X	X
2. Permissible custodial property:				
a. Any kind of property	X	X	X	X
b. Securities, cash				
c. Savings and loan association accounts				
d. Credit union accounts				
e. Life insurance policies, annuity contracts				
f. Endowment policies				
g. Mineral interests				
h. Land				
i. Tangible personal property				
j. Other assets				
3. Custodian has power to purchase life insurance:				
a. On minor's life	X <sup>23</sup>	X	X	X
b. On another person's life	X <sup>24</sup>	X	X	X
4. Who may be original custodian:				
a. Donor, adult, trust company	X	X	X	X
b. Donor, adult family member, trust company				
5. Custodian's standard of care is:				
a. Prudent person dealing with property of another	X	X		X
b. One seeking reasonable income and preservation of his capital			X	
c. Other:				
6. Claims of third parties:				
a. Generally limited to custodial property	X	X	X	X
b. Not limited to custodial property				
7. Who may be successor custodian:				
a. Adult, trust company	X	X	X	X
b. Adult family member, guardian, trust company				
8. Appointment of successor governed by:				
a. 1956 Act				
b. 1966 Act				
c. Liberalized procedure	X	X	X	X
9. Executor may distribute to custodian:				
a. If will authorizes distribution	X			
b. Whether or not will authorizes distribution		X	X	X
10. Trustee may distribute to custodian:				
a. If trust authorizes distribution	X			
b. Whether or not trust authorizes distribution		X	X	X
11. Termination age:				
a. 18	X	X <sup>25</sup>	X <sup>27</sup>	X <sup>28</sup>
b. 19				
c. 21		X <sup>26</sup>	X <sup>27</sup>	X

# Uniform Transfers to Minors Act

	Idaho	Illinois	Indiana	Iowa
1. Which version of UGMA/UTMA has been enacted:				
a. 1956 UGMA				
b. 1966 UGMA				
c. 1983 UTMA	X	X	X	X
2. Permissible custodial property:				
a. Any kind of property	X	X	X	X
b. Securities, cash				
c. Savings and loan association accounts				
d. Credit union accounts				
e. Life insurance policies, annuity contracts				
f. Endowment policies				
g. Mineral interests				
h. Land				
i. Tangible personal property				
j. Other assets				
3. Custodian has power to purchase life insurance:				
a. On minor's life	X <sup>29</sup>	X	X <sup>37</sup>	X
b. On another person's life	X <sup>29</sup>	X	X <sup>38</sup>	X
4. Who may be original custodian:				
a. Donor, adult, trust company	X	X <sup>34</sup>	X <sup>39</sup>	X
b. Donor, adult family member, trust company				
5. Custodian's standard of care is:				
a. Prudent person dealing with property of another	X		X <sup>40</sup>	X
b. One seeking reasonable income and preservation of his capital		X		
c. Other:				
6. Claims of third parties:				
a. Generally limited to custodial property	X	X	X <sup>41</sup>	X
b. Not limited to custodial property				
7. Who may be successor custodian:				
a. Adult, trust company	X		X <sup>42</sup>	X
b. Adult family member, guardian, trust company		X	X <sup>43</sup>	
8. Appointment of successor governed by:				
a. 1956 Act				
b. 1966 Act				
c. Liberalized procedure	X <sup>30</sup>	X	X	X
9. Executor may distribute to custodian:				
a. If will authorizes distribution				
b. Whether or not will authorizes distribution		X <sup>35</sup>	X <sup>44</sup>	X
10. Trustee may distribute to custodian:				
a. If trust authorizes distribution				
b. Whether or not trust authorizes distribution	X <sup>31</sup>	X <sup>35</sup>	X <sup>45</sup>	X
11. Termination age:				
a. 18	X <sup>32</sup>	X <sup>36</sup>		
b. 19				
c. 21	X <sup>33</sup>	X <sup>36</sup>	X	X

# Uniform Transfers to Minors Act

	Kansas	Kentucky	Louisiana	Maine
1. Which version of UGMA/UTMA has been enacted:				
a. 1956 UGMA				
b. 1966 UGMA				
c. 1983 UTMA	X	X	X	X
2. Permissible custodial property:				
a. Any kind of property	X	X		X
b. Securities, cash			X	
c. Savings and loan association accounts				
d. Credit union accounts				
e. Life insurance policies, annuity contracts			X	
f. Endowment policies			X	
g. Mineral interests			X	
h. Land			X	
i. Tangible personal property			X	
j. Other assets			X	
3. Custodian has power to purchase life insurance:				
a. On minor's life	X <sup>46</sup>	X <sup>49</sup>	X	X <sup>54</sup>
b. On another person's life	X <sup>47</sup>	X <sup>50</sup>	X	X <sup>55</sup>
4. Who may be original custodian:				
a. Donor, adult, trust company	X	X	X <sup>51</sup>	X
b. Donor, adult family member, trust company				
5. Custodian's standard of care is:				
a. Prudent person dealing with property of another	X	X	X	X
b. One seeking reasonable income and preservation of his capital				
c. Other:				
6. Claims of third parties:				
a. Generally limited to custodial property	X	X	X	
b. Not limited to custodial property				X <sup>56</sup>
7. Who may be successor custodian:				
a. Adult, trust company	X	X	X <sup>52</sup>	
b. Adult family member, guardian, trust company			X <sup>52</sup>	X <sup>57</sup>
8. Appointment of successor governed by:				
a. 1956 Act				
b. 1966 Act				
c. Liberalized procedure	X	X		X
9. Executor may distribute to custodian:				
a. If will authorizes distribution				
b. Whether or not will authorizes distribution	X	X	X <sup>53</sup>	X <sup>58</sup>
10. Trustee may distribute to custodian:				
a. If trust authorizes distribution				
b. Whether or not trust authorizes distribution	X	X	X <sup>53</sup>	X <sup>59</sup>
11. Termination age:				
a. 18	X <sup>48</sup>	X	X	
b. 19				
c. 21	X <sup>48</sup>			X <sup>60</sup>

# Uniform Transfers to Minors Act

	Maryland	Mass.	Michigan	Minnesota
1. Which version of UGMA/UTMA has been enacted:				
a. 1956 UGMA			X	
b. 1966 UGMA				X
c. 1983 UTMA	X	X		
2. Permissible custodial property:				
a. Any kind of property	X	X		X
b. Securities, cash			X	
c. Savings and loan association accounts			X	
d. Credit union accounts			X	
e. Life insurance policies, annuity contracts			X	
f. Endowment policies				
g. Mineral interests			X	
h. Land				
i. Tangible personal property				
j. Other assets				
3. Custodian has power to purchase life insurance:				
a. On minor's life	X <sup>61</sup>	X		X <sup>73</sup>
b. On another person's life	X <sup>62</sup>	X		X <sup>74</sup>
4. Who may be original custodian:				
a. Donor, adult, trust company	X	X	X	X
b. Donor, adult family member, trust company				
5. Custodian's standard of care is:				
a. Prudent person dealing with property of another	X <sup>63</sup>	X		X
b. One seeking reasonable income and preservation of his capital			X	
c. Other:				
6. Claims of third parties:				
a. Generally limited to custodial property	X <sup>64</sup>	X		X
b. Not limited to custodial property				
7. Who may be successor custodian:				
a. Adult, trust company	X <sup>65</sup>	X <sup>69</sup>		X
b. Adult family member, guardian, trust company			X	
8. Appointment of successor governed by:				
a. 1956 Act				
b. 1966 Act			X	
c. Liberalized procedure	X	X <sup>70</sup>		X <sup>75</sup>
9. Executor may distribute to custodian:				
a. If will authorizes distribution				
b. Whether or not will authorizes distribution	X <sup>66</sup>	X <sup>71</sup>		X
10. Trustee may distribute to custodian:				
a. If trust authorizes distribution				
b. Whether or not trust authorizes distribution	X <sup>67</sup>	X <sup>72</sup>		X
11. Termination age:				
a. 18	X <sup>68</sup>		X	
b. 19				
c. 21	X	X		X

# Uniform Transfers to Minors Act

	Mississippi	Missouri	Montana	Nebraska
1. Which version of UGMA/UTMA has been enacted:				
a. 1956 UGMA				
b. 1966 UGMA				
c. 1983 UTMA	X	X	X	X
2. Permissible custodial property:				
a. Any kind of property	X	X	X	X
b. Securities, cash				
c. Savings and loan association accounts				
d. Credit union accounts				
e. Life insurance policies, annuity contracts				
f. Endowment policies				
g. Mineral interests				
h. Land				
i. Tangible personal property				
j. Other assets				
3. Custodian has power to purchase life insurance:				
a. On minor's life	X <sup>76</sup>	X	X <sup>83</sup>	X
b. On another person's life	X <sup>77</sup>	X	X <sup>84</sup>	X <sup>89</sup>
4. Who may be original custodian:				
a. Donor, adult, trust company	X	X	X <sup>85</sup>	X
b. Donor, adult family member, trust company				
5. Custodian's standard of care is:				
a. Prudent person dealing with property of another	X	X	X	X
b. One seeking reasonable income and preservation of his capital				
c. Other:				
6. Claims of third parties:				
a. Generally limited to custodial property	X	X	X	X <sup>90</sup>
b. Not limited to custodial property				
7. Who may be successor custodian:				
a. Adult, trust company	X <sup>78</sup>		X <sup>85</sup>	X
b. Adult family member, guardian, trust company	X <sup>79</sup>	X		
8. Appointment of successor governed by:				
a. 1956 Act				
b. 1966 Act				
c. Liberalized procedure	X	X	X	X
9. Executor may distribute to custodian:				
a. If will authorizes distribution	X			
b. Whether or not will authorizes distribution	X <sup>80</sup>	X	X <sup>86</sup>	X
10. Trustee may distribute to custodian:				
a. If trust authorizes distribution	X			
b. Whether or not trust authorizes distribution	X <sup>81</sup>	X	X <sup>86</sup>	X
11. Termination age:				
a. 18			X <sup>87</sup>	
b. 19				X
c. 21	X <sup>82</sup>	X	X <sup>88</sup>	X <sup>91</sup>



# Uniform Transfers to Minors Act

	Nevada	New Hampshire	New Jersey	New Mexico
1. Which version of UGMA/UTMA has been enacted:				
a. 1956 UGMA				
b. 1966 UGMA				
c. 1983 UTMA	X	X	X	X
2. Permissible custodial property:				
a. Any kind of property	X	X	X	X
b. Securities, cash				
c. Savings and loan association accounts				
d. Credit union accounts				
e. Life insurance policies, annuity contracts				
f. Endowment policies				
g. Mineral interests				
h. Land				
i. Tangible personal property				
j. Other assets				
3. Custodian has power to purchase life insurance:				
a. On minor's life	X	X	X <sup>98</sup>	X
b. On another person's life	X	X	X <sup>98</sup>	X
4. Who may be original custodian:				
a. Donor, adult, trust company	X	X	X <sup>99</sup>	X
b. Donor, adult family member, trust company				
5. Custodian's standard of care is:				
a. Prudent person dealing with property of another	X	X	X	X
b. One seeking reasonable income and preservation of his capital				
c. Other:		X <sup>93</sup>		
6. Claims of third parties:				
a. Generally limited to custodial property	X	X	X	X
b. Not limited to custodial property				
7. Who may be successor custodian:				
a. Adult, trust company	X	X	X	X
b. Adult family member, guardian, trust company				
8. Appointment of successor governed by:				
a. 1956 Act				
b. 1966 Act				
c. Liberalized procedure	X	X	X	X
9. Executor may distribute to custodian:				
a. If will authorizes distribution				
b. Whether or not will authorizes distribution	X	X <sup>94</sup>	X <sup>100</sup>	X
10. Trustee may distribute to custodian:				
a. If trust authorizes distribution				
b. Whether or not trust authorizes distribution	X	X <sup>95</sup>	X <sup>101</sup>	X
11. Termination age:				
a. 18	X	X <sup>96</sup>		
b. 19				
c. 21	X <sup>92</sup>	X <sup>97</sup>	X <sup>102</sup>	X

# Uniform Transfers to Minors Act

	New York	North Carolina	North Dakota	Ohio
1. Which version of UGMA/UTMA has been enacted:				
a. 1956 UGMA				X
b. 1966 UGMA	X			
c. 1983 UTMA		X <sup>106</sup>	X	
2. Permissible custodial property:				
a. Any kind of property		X	X	
b. Securities, cash	X			X
c. Savings and loan association accounts	X			X
d. Credit union accounts	X			
e. Life insurance policies, annuity contracts	X			X
f. Endowment policies				X
g. Mineral interests				X
h. Land	X			X
i. Tangible personal property	X			X
j. Other assets	X <sup>103</sup>			
3. Custodian has power to purchase life insurance:				
a. On minor's life		X <sup>107</sup>	X	X
b. On another person's life		X <sup>107</sup>	X	X
4. Who may be original custodian:				
a. Donor, adult, trust company	X	X	X	X
b. Donor, adult family member, trust company				
5. Custodian's standard of care is:				
a. Prudent person dealing with property of another		X	X	X
b. One seeking reasonable income and preservation of his capital	X			
c. Other:				
6. Claims of third parties:				
a. Generally limited to custodial property	X <sup>104</sup>	X	X	X
b. Not limited to custodial property				
7. Who may be successor custodian:				
a. Adult, trust company	X	X <sup>108</sup>	X	X
b. Adult family member, guardian, trust company				
8. Appointment of successor governed by:				
a. 1956 Act				X
b. 1966 Act	X			
c. Liberalized procedure		X <sup>108</sup>	X	
9. Executor may distribute to custodian:				
a. If will authorizes distribution				
b. Whether or not will authorizes distribution	X	X <sup>109</sup>	X <sup>111</sup>	X <sup>113</sup>
10. Trustee may distribute to custodian:				
a. If trust authorizes distribution				
b. Whether or not trust authorizes distribution	X	X <sup>109</sup>	X <sup>111</sup>	X <sup>113</sup>
11. Termination age:				
a. 18	X			
b. 19				
c. 21	X <sup>105</sup>	X <sup>110</sup>	X <sup>112</sup>	X

# Uniform Transfers to Minors Act

	Oklahoma	Oregon	Pennsylvania	Rhode Island
1. Which version of UGMA/UTMA has been enacted:				
a. 1956 UGMA				
b. 1966 UGMA				
c. 1983 UTMA	X	X <sup>114</sup>	X	X
2. Permissible custodial property:				
a. Any kind of property	X	X	X	X
b. Securities, cash				
c. Savings and loan association accounts				
d. Credit union accounts				
e. Life insurance policies, annuity contracts				
f. Endowment policies				
g. Mineral interests				
h. Land				
i. Tangible personal property				
j. Other assets				
3. Custodian has power to purchase life insurance:				
a. On minor's life	X	X	X	X
b. On another person's life	X	X	X	X
4. Who may be original custodian:				
a. Donor, adult, trust company	X	X	X	X
b. Donor, adult family member, trust company				
5. Custodian's standard of care is:				
a. Prudent person dealing with property of another	X	X	X	X
b. One seeking reasonable income and preservation of his capital				
c. Other:				
6. Claims of third parties:				
a. Generally limited to custodial property	X	X	X	X
b. Not limited to custodial property				
7. Who may be successor custodian:				
a. Adult, trust company	X	X <sup>115</sup>	X	X
b. Adult family member, guardian, trust company		X <sup>115</sup>		
8. Appointment of successor governed by:				
a. 1956 Act				
b. 1966 Act				
c. Liberalized procedure	X	X	X	X <sup>117</sup>
9. Executor may distribute to custodian:				
a. If will authorizes distribution				
b. Whether or not will authorizes distribution	X	X	X	X <sup>118</sup>
10. Trustee may distribute to custodian:				
a. If trust authorizes distribution				
b. Whether or not trust authorizes distribution	X	X	X	X <sup>118</sup>
11. Termination age:				
a. 18	X	X <sup>116</sup>		X
b. 19				
c. 21	X	X <sup>116</sup>	X	

# Uniform Transfers to Minors Act

	South Carolina	South Dakota	Tennessee	Texas
1. Which version of UGMA/UTMA has been enacted:				
a. 1956 UGMA				
b. 1966 UGMA				
c. 1983 UTMA	X	X	X	X <sup>124</sup>
2. Permissible custodial property:				
a. Any kind of property	X	X	X	X
b. Securities, cash				
c. Savings and loan association accounts				
d. Credit union accounts				
e. Life insurance policies, annuity contracts				
f. Endowment policies				
g. Mineral interests				
h. Land				
i. Tangible personal property				
j. Other assets				
3. Custodian has power to purchase life insurance:				
a. On minor's life	X	X <sup>119</sup>	X	X
b. On another person's life	X	X <sup>119</sup>	X	X
4. Who may be original custodian:				
a. Donor, adult, trust company	X	X	X <sup>120</sup>	X
b. Donor, adult family member, trust company				
5. Custodian's standard of care is:				
a. Prudent person dealing with property of another		X	X	X
b. One seeking reasonable income and preservation of his capital	X			
c. Other:				
6. Claims of third parties:				
a. Generally limited to custodial property		X	X	X
b. Not limited to custodial property				
7. Who may be successor custodian:				
a. Adult, trust company		X	X <sup>121</sup>	X
b. Adult family member, guardian, trust company	X			
8. Appointment of successor governed by:				
a. 1956 Act				
b. 1966 Act				
c. Liberalized procedure	X	X	X	X <sup>125</sup>
9. Executor may distribute to custodian:				
a. If will authorizes distribution	X			
b. Whether or not will authorizes distribution		X	X <sup>122</sup>	X
10. Trustee may distribute to custodian:				
a. If trust authorizes distribution	X			
b. Whether or not trust authorizes distribution		X	X <sup>122</sup>	X <sup>126</sup>
11. Termination age:				
a. 18	X	X		
b. 19				
c. 21			X <sup>123</sup>	X <sup>127</sup>

# Uniform Transfers to Minors Act

	Utah	Vermont	Virginia	Washington
1. Which version of UGMA/UTMA has been enacted:				
a. 1956 UGMA		X		
b. 1966 UGMA				
c. 1983 UTMA	X		X	X
2. Permissible custodial property:				
a. Any kind of property	X		X	
b. Securities, cash		X		X
c. Savings and loan association accounts		X <sup>128</sup>		X
d. Credit union accounts				X
e. Life insurance policies, annuity contracts				X
f. Endowment policies				X
g. Mineral interests		X		
h. Land				X
i. Tangible personal property				X
j. Other assets				X
3. Custodian has power to purchase life insurance:				
a. On minor's life	X		X	X
b. On another person's life	X		X	X
4. Who may be original custodian:				
a. Donor, adult, trust company	X	X <sup>129</sup>	X	X
b. Donor, adult family member, trust company		X <sup>129</sup>		
5. Custodian's standard of care is:				
a. Prudent person dealing with property of another	X		X <sup>133</sup>	X
b. One seeking reasonable income and preservation of his capital				
c. Other:		X <sup>130</sup>		
6. Claims of third parties:				
a. Generally limited to custodial property	X	X <sup>131</sup>	X	X
b. Not limited to custodial property				
7. Who may be successor custodian:				
a. Adult, trust company	X		X	X
b. Adult family member, guardian, trust company		X		
8. Appointment of successor governed by:				
a. 1956 Act		X <sup>132</sup>		
b. 1966 Act				
c. Liberalized procedure	X		X	X
9. Executor may distribute to custodian:				
a. If will authorizes distribution				
b. Whether or not will authorizes distribution	X		X <sup>134</sup>	X <sup>135</sup>
10. Trustee may distribute to custodian:				
a. If trust authorizes distribution				
b. Whether or not trust authorizes distribution	X		X <sup>134</sup>	X
11. Termination age:				
a. 18		X	X	X <sup>136</sup>
b. 19				
c. 21	X		X	X <sup>137</sup>

# Uniform Transfers to Minors Act

	West Virginia	Wisconsin	Wyoming
1. Which version of UGMA/UTMA has been enacted:			
a. 1956 UGMA			
b. 1966 UGMA			
c. 1983 UTMA	X	X	X
2. Permissible custodial property:			
a. Any kind of property	X	X	X
b. Securities, cash			
c. Savings and loan association accounts			
d. Credit union accounts			
e. Life insurance policies, annuity contracts			
f. Endowment policies			
g. Mineral interests			
h. Land			
i. Tangible personal property			
j. Other assets			
3. Custodian has power to purchase life insurance:			
a. On minor's life	X	X	X
b. On another person's life	X	X	X
4. Who may be original custodian:			
a. Donor, adult, trust company	X	X	X
b. Donor, adult family member, trust company			
5. Custodian's standard of care is:			
a. Prudent person dealing with property of another	X	X	X
b. One seeking reasonable income and preservation of his capital			
c. Other:			
6. Claims of third parties:			
a. Generally limited to custodial property	X	X	X <sup>141</sup>
b. Not limited to custodial property			
7. Who may be successor custodian:			
a. Adult, trust company	X <sup>138</sup>	X	X
b. Adult family member, guardian, trust company	X <sup>138</sup>		
8. Appointment of successor governed by:			
a. 1956 Act			
b. 1966 Act	X		
c. Liberalized procedure		X	X
9. Executor may distribute to custodian:			
a. If will authorizes distribution	X		
b. Whether or not will authorizes distribution	X <sup>139</sup>	X	X <sup>142</sup>
10. Trustee may distribute to custodian:			
a. If trust authorizes distribution	X		
b. Whether or not trust authorizes distribution	X <sup>139</sup>	X	X <sup>142</sup>
11. Termination age:			
a. 18	X <sup>140</sup>	X	
b. 19			
c. 21	X <sup>140</sup>	X	X <sup>143</sup>

# **The Uniform Transfers to Minors Act**

## **Summary of the Uniform Law and Existing State Law**

This summary describes the major revisions made by the Uniform Transfers to Minors Act (UTMA) and discusses how states compare to the Act. The vast majority of states have adopted UTMA and the nation is showing much greater uniformity of law in this area since the Act was promulgated in 1983.

The Act has expanded the types of transfers which will be governed by its provisions, following the lead of several states. Any kind of property, real or personal, tangible or intangible, is permitted to be transferred to a custodian for the benefit of a minor. The Act also permits transfers from trusts, estates and guardianships whether or not authorized by such instruments. Almost all states have expanded coverage to any kind of property and allow an executor or trustee to distribute property to a custodian whether or not the will or trust authorizes such distribution. In most of these states, court authorization is required if the amount transferred exceeds a certain dollar amount, usually \$10,000.

Given the unlimited types of property which could be transferred to a custodian for the benefit of a minor, the Act addresses the problem of liability, which was not a concern under UGMA as custodial property was limited to bank deposits, securities and insurance. Under UTMA, the claims of third parties are generally limited to the custodial property. The minor is not personally liable unless the minor is personally at fault. The custodian is not personally liable unless the custodian is personally at fault or fails to disclose her custodial capacity in entering into a contract. All states except Maine report that such claims of third parties are generally limited in the above manner.

Despite the fact that the custodian already appeared to have authority to purchase life insurance under existing law, the Act and almost all states have eliminated any uncertainty by adopting specific provisions allowing the custodian to purchase life insurance on the life of the minor or on another person's life.

The Act permits the donor, an adult or a trust company to be initial custodian. The Act deletes optional language contained in the 1996 UGMA which would limit the eligible class of initial custodians to an adult member of the minor's family or a guardian of the minor. Provisions for custodian succession procedures were expanded. Again, states have almost uniformly adopted these provisions.

The custodian's standard of care as provided by the Act is that of a "prudent person dealing with property of another." This is a somewhat stricter fiduciary standard than the UGMA standard: one "who is seeking a reasonable income and the preservation of his capital." A few states have retained the more relaxed standard.

The Act provides for termination of the custodian at the age of majority or at age 21, depending on the type of transfer. Although many states have adopted this approach, termination age is the area of the least uniformity throughout the states.

# NOTES

## ALABAMA

Harwell E. Coale, Jr.  
Mobile, Alabama  
June 27, 1996

Code of Ala. §§35-5A-1 to 35-5A-24.

1. The minor or minor's estate must be the sole beneficiary of the insurance on the minor's life. Code of Ala. §35-5A-13(c)(1).
2. The minor must have an insurable interest in another person's life and the minor, the minor's estate, or the custodian in the capacity of custodian, must be the irrevocable beneficiary. Code of Ala. §35-5A-13(c)(2).
3. If the Will or Trust does not authorize distribution, three tests must be satisfied. First, the fiduciary making the transfer must determine in good faith and in his fiduciary capacity that a custodianship will be in the best interest of the minor. Second, a custodianship may not be prohibited by, or inconsistent with, the terms of any governing instrument. Third, the amount of property transferred (as measured by its value) may not exceed \$10,000. However, if the property exceeds \$10,000, transfer to a custodian may still be made if a court approves and if the other two tests are met. Code of Ala. §35-5A-7.
4. Custodianships created by fiduciaries without expressed authority from the donor of the property under Code of Ala. §35-5A-7 and by obligors of the minor under Code of Ala. §35-5A-8 terminate upon the minors attaining the age of majority under the general laws of Alabama (which is the age of 19 as provided in Code of Ala. §26-1-1). Code of Ala. §35-5A-21.

## ALASKA

Richard S. Thwaites, Jr.  
Anchorage, Alaska  
June 14, 1996

Alaska Stat. §§13.46.010 to 13.46.999.

5. Special provisions related to Alaska Native Claims Settlement Act—stock.
6. Only if minor or minor's estate is sole beneficiary.
7. Only if minor, minor's estate, or custodian qua custodian is irrevocable beneficiary.
8. Court authorization required if exceeds \$25,000.
9. Court authorization required if exceeds \$25,000.
10. Governing instrument may provide for any age between 18 and 25, default age is 21.

## ARIZONA

Susan K. Smith  
Phoenix, Arizona  
October 21, 1996

Ariz. Rev. Stat. §§14-7651 to 14-7671.

11. The custodial property must be transferred when the minor attains age 21 if the transfer is made via an irrevocable gift, an irrevocable power of appointment or a will or trust specifically designating a custodian. The custodial property must be transferred when the minor attains age 18 for all other transfers (i.e., via intestacy, transfer from conservatorships, wills, trusts, or other gifts not specifically designating a custodian).

## ARKANSAS

William D. Haught  
Little Rock, Arkansas  
May 20, 1998

Ark. Stat. Ann. §§9-26-201 to 9-26-227.

12. In whom minor has insurable interest, only to extent minor, minor's estate or custodian is irrevocable beneficiary.
13. If not authorized by will, then limited to \$10,000 and subject to court approval.
14. Unless otherwise designated by donor and as to transfers by fiduciaries (not authorized by will or trust) or obligors—then age 18.

## CALIFORNIA

K. Bruce Friedman  
San Francisco, California  
August 3, 1998

Cal. Probate Code §§3900-3925, 6341-6349 (1990, Supp. 1996).

The California Act adds to the UTMA a section allowing a donor who is also the custodian to restrict expenditures of the custodial property to those ordered by the court upon proper application (Prob. C. §3914). It also adds a section fixing venue for court hearings (Prob. C. §3921).

15. While a custodianship normally terminates at age 18, Prob. C. §3920.5 permits the donor to specify that it continue until not later than age 21 (lifetime gift), or until not later than age 25 (gift by will, trust or exercise of power of appointment).



## **COLORADO**

David W. Kirch  
Aurora, Colorado  
May 29, 1996

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Colo. Rev. Stat. §§11-50-101 to 126.

## **CONNECTICUT**

Frank S. Berall and  
Suzanne Brown Walsh  
Hartford, Connecticut  
April 23, 1998

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Conn. Gen. Stat. Ann. §§45a-557 to 45a-560b.

16. If minor owns and has an insurable interest. C.G.S. Section 45a-558i(c).
17. The custodian is only personally liable if he or she fails to reveal the custodianship or is personally at fault. C.G.S. Section 45a-559b.
18. If designated by custodian. C.G.S. Section 45a-559c.
19. If designated by minor over age 12. C.G.S. Section 45a-559c.
20. The transfer must be in the minor's best interest, must not be inconsistent with the will or trust, and must be authorized by the probate court, if over \$5,000.

## **DELAWARE**

Thomas P. Sweeney  
Wilmington, Delaware  
October 22, 1996

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Del. Code tit. 12, §§4501 to 4523.

21. Member of the minor's family in which the minor has an insurable interest.
22. Effective June 16, 1972, but can state age 21.

## **DISTRICT OF COLUMBIA**

Richard H. Mayfield  
Washington, D.C.  
April 24, 1998

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D.C. Code §§21-301 to 21-324.

23. The custodian has the power to purchase life insurance on the minor's life if the minor or the minor's estate is the sole beneficiary of such policy.
24. The custodian has the power to purchase life insurance on another person's life if the minor, the minor's estate or the custodian in the capacity of custodian is the irrevocable beneficiary of the policy.

## **FLORIDA**

Richard C. Milstein  
Miami, Florida  
May 7, 1996

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Florida Statutes Chapter 710.

25. Certain transfers.
26. Certain transfers, generally.

## **GEORGIA**

Alan F. Rothschild  
Columbus, Georgia  
July 15, 1996

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Ga. Code Ann. §§44-5-110 to 44-5-134.

27. As to some transfers.

## **HAWAII**

Randall M. L. Yee  
Honolulu, Hawaii  
May 19, 1998

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Haw. Rev. Stat. §§553A-1 to 553A-24.

28. See §553A-20.

## **IDAHO**

Robert S. Erickson  
Boise, Idaho  
May 31, 1996

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Idaho Code §§68-801 to 68-825.

29. Under the Idaho Act, a custodian may invest in or pay premiums on life insurance or endowment policies on (i) the life of the minor only, if the minor or the minor's estate is the sole beneficiary, or (ii) the life of another person in whom the minor has an insurable interest only to the extent that the minor, the minor's estate or the custodian in the capacity of custodian is the irrevocable beneficiary. Idaho Code §68-812.
30. A custodian, at any time, may designate a successor custodian by executing and dating an instrument of designation before a subscribing witness other than the successor. Idaho Code §68-818(2).
31. A personal representative or trustee may distribute property to a custodian even though a will or trust does not specifically authorize it if (i) the personal representative, trustee or conservator considers the transfer to be in the best interest of the minor, (ii) the transfer is not prohibited by or inconsistent with the provisions of the applicable will, trust agreement or

other governing instruments, and (iii) the transfer is authorized by the court if it exceeds ten thousand dollars (\$10,000) in value. Idaho Code §68-806.

32. The custodianship terminates at 18 if the transfer occurred (i) by an irrevocable gift or the exercise of a power of appointment to the custodian for the benefit of the minor, or (ii) from a personal representative or trustee where the will or trust specifically authorized the custodianship. Idaho Code §68-820(2).
33. The custodianship terminates at 21 if the transfer occurred (i) from a personal representative or trustee where the will or trust did not specifically authorize the custodianship (see note 31), or (ii) from the person who holds property of or a liquidated debt to a minor or both who did not previously have a conservator but for whom a conservator was appointed by such obligor. Idaho Code §68-807.

## ILLINOIS

James J. McClure, Jr.  
Chicago, Illinois  
July 19, 1996

Ill. Comp. Stat. 20/1 to 20/24.

34. If the gift is by will or transfer in trust, the original custodian must be "an adult or a trust company."
35. In the absence of an authorization, a distribution may be made if the representative considers it to be in the best interest of the minor and the distribution is authorized by the court if it exceeds \$10,000 in value.
36. The custodianship shall terminate and the custodian is to deliver or pay unexpended custodial property to the minor or to his estate when the minor attains age 21 or dies, whichever comes first. However, if the custodianship was created by a legal representative of the donor's estate or by a trustee or other obligor, the unexpended property shall be distributed to the minor when he reaches age 18, or to his estate if he dies before then.

## INDIANA

Daniel R. Gordon  
Bluffton, Indiana  
November 27, 1996

Indiana Code Ann. §§30-2-8.5-1 to 30-2-8.5-40.

37. The custodian may purchase life insurance on the minor's life if the minor or the minor's estate is the sole beneficiary. I.C. 30-2-8.5-27(c)(1).
38. The custodian may purchase life insurance on another person's life if the minor has an insurable interest in that person and if the minor, the minor's estate, or the custodian in the capacity of custodian is the

irrevocable beneficiary. I.C. 30-2-8.5-27(c)(2).

39. The donor may not be the original custodian if the transfer is of (1) securities which are delivered to the custodian but not registered, (2) a life or endowment insurance policy or annuity contract which is transferred by assignment but not registered with the issuer, (3) a certificate of title issued by a department or agency of a state or of the United States which is transferred by delivery and endorsement, or (4) property not described in I.C. 30-2-8.5-24(a)(1) through (a)(6).
40. In dealing with custodial property, a custodian shall observe the standard of care that would be observed by a prudent person dealing with property of another and is not limited by any other statute restricting investments by fiduciaries. If a custodian has a special skill or expertise or is named custodian on the basis of representations of a special skill or expertise, the custodian shall use that skill or expertise. However, a custodian in the custodian's discretion and without liability to the minor or the minor's estate may retain custodial property received from a transferor. I.C. 30-2-8.5-27(b).
41. Claims of third parties are generally limited to custodial property unless the custodian fails to reveal that capacity and fails to identify the custodianship in the contract or unless the custodian is personally at fault for an obligation arising from control of custodial property or for a tort committed during the custodianship. I.C. 30-2-8.5-32(b).
42. A custodian may designate a trust company or an adult other than a transferor as successor custodian by an instrument of designation. I.C. 30-2-8.5-33(b).
43. If a custodian is ineligible, dies, or becomes incapacitated without having effectively designated a successor, a minor who is at least fourteen (14) years of age may designate as successor custodian an adult member of the minor's family, a guardian of the minor, or a trust company. I.C. 30-2-8.5-33(d).
44. A personal representative may transfer to a custodian in the absence of will authorization if: (1) the personal representative considers the transfer to be in the best interest of the minor; (2) the transfer is not prohibited by or inconsistent with provisions of the will; and (3) the transfer is authorized by the court if the property transferred exceeds ten thousand dollars (\$10,000) in value. I.C. 30-2-8.5-21(a) and (c).
45. A trustee may transfer to a custodian in the absence of trust authorization if: (1) the trustee considers the transfer to be in the best interest of the minor; (2) the transfer is not prohibited by or inconsistent with provisions of the trust; and (3) the transfer is authorized by the court if the property transferred exceeds ten thousand dollars (\$10,000) in value. I.C. 30-2-8.5-21(a) and (c).

## IOWA

Margaret Van Houten  
Des Moines, Iowa  
June 3, 1996

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Iowa Code Chapter 565B.

## KANSAS

Martin B. Dickinson  
Lawrence, Kansas  
William K. Waugh, III  
Overland Park, Kansas  
April 24, 1998

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Kan. Stat. §§38-1701 to 1726.

“Kansas Uniform Transfers to Minors Act” effective July 1, 1985, but also applies to transfers prior to that date under Uniform Gifts to Minors Act of Kansas, except insofar as the application impairs constitutionally vested rights or extends the duration of custodianships in existence on the effective date of the act. Kan. Stat. Ann. §38-1723.

46. f.n. (3(a)) Only if the minor or the minor’s estate is the sole beneficiary. Kan. Stat. Ann §38-1713(c).
47. f.n. (3(b)) Only to the extent that the minor, the minor’s estate, or the custodian in the capacity of custodian, is the irrevocable beneficiary. Kan. Stat. Ann. §38-1713(c).
48. f.n. (11(a) & (c)) For termination ages *see* Kan. Stat. §38-1721.

## KENTUCKY

Jefferey M. Yussman  
Louisville, Kentucky  
April 22, 1998

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Ky. Rev. Stat. §§385.012 to 385.252 (Cum. Supp. 1994).

“Kentucky Uniform Transfers to Minors Act” effective July 15, 1986, but also applies to transfers prior to that date under Uniform Gifts to Minors Act of Kentucky, except insofar as the application impairs constitutionally vested rights. Ky. Rev. Stats. 385.222(2).

49. Only if the minor or the minor’s estate is the sole beneficiary. Ky. Rev. Stat. 385.122(3)(a).
50. Only to the extent that the minor, the minor’s estate, or the custodian in the capacity of custodian, is the irrevocable beneficiary. Ky. Rev. Stat. 385.122(3)(b).

## LOUISIANA

William E. Shaddock  
Lake Charles, Louisiana  
April 26, 1996

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La. Rev. Stat. Ann. §§9:751-9:773 (1988, Supp. 1996).

51. The Louisiana Act permits the following original custodians for different types of property: (a) Securities: transferor, adult other than the transferor, or a trust company (if the security is re-registered); adult other than the transferor, or a trust company (if the security is delivered and endorsed); (b) Money: transferor, adult other than the transferor, or a trust company; (c) Life insurance or annuity contract: transferor, adult other than the transferor, or a trust company (if the policy or contract is re-registered with the issuer); adult other than the transferor, or a trust company (if the policy or contract is assigned in writing); (d) Real estate: transferor, adult other than the transferor, or a trust company; (e) Registered tangible personal property: transferor, adult other than the transferor, or a trust company (if the certificate of title is reissued); adult other than the transferor, or a trust company (if the certificate of title is endorsed); (f) Any other property: an adult other than the transferor, or a trust company. Under LSA-R.S. 9:1783, the trust company must be organized under the laws of Louisiana or of the United States domiciled in Louisiana.
52. Persons eligible to serve as successor custodians depend on the kind of property involved and depend upon the events giving rise to the nomination of a successor custodian. If the minor beneficiary has attained the age of 14 years and becomes eligible to designate the successor custodian, the successor custodian is limited to an adult member of the minor’s family, a guardian of the minor or a trust company. Under LSA-R.S. 9:1783, the trust company must be organized under the laws of Louisiana or of the United States domiciled in Louisiana.
53. Such a transfer may be made if the transfer is not prohibited by or inconsistent with the provisions of the applicable will or trust instrument, and any transfer which exceeds \$10,000 in value must be authorized by the Court.

## MAINE

Philip C. Hunt  
Portland, Maine  
May 7, 1996

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33 M.R.S.A. §§1651 to 1674.

Maine has deviated from the UTMA procedures relating to accountings and now requires the custodian to account to the minor and the Probate Court prior to the termination of the custodian’s responsibilities. See §1670 as amended by P.L. 1991, c. 641.

54. The custodian is expressly authorized to purchase life insurance on the life of the minor but only if the minor or the minor's estate is named beneficiary. See §1663.
55. The custodian may also purchase insurance on the life of another person in whom the minor has an insurable interest but only if the minor, the minor's estate or the custodian is named beneficiary. See §1663.
56. A custodian may have personal liability for contracts if the custodian fails to identify the custodianship and his custodial role in the contract. A custodian may be personally liable in tort or from obligations arising from control of the custodial property if personally at fault. See §1668.
57. With respect to who may serve as successor custodian, the answer depends on who is nominating the successor. The transferor in certain cases has the ability to name a successor who may include the transferor, an adult, or trust company. A custodian may designate a successor who may be an adult other than the transferor or a trust company. If there is no designated successor, and the minor is 14 years of age or older, the minor may designate a successor custodian who may be an adult member of the minor's family or a trust company. If there is no designated successor, and the minor is under 14, the minor's conservator becomes successor custodian or, if there is no conservator or the conservator declines to act, any interested person (including the transferor, the transferor's legal representative, the former custodian's legal representative, or an adult member of the minor's family) may petition the Probate Court to designate a successor custodian. See §1669.
58. A personal representative may make distribution to a custodian for a minor if authorized by the governing will and, in certain circumstances, may distribute to a custodian for a minor in the absence of authorization in the will, provided that the transfer is not prohibited by or inconsistent with the will, the personal representative believes that the transfer is in the best interests of the minor, and, if the amount involved exceeds \$10,000 in value, the approval of the Probate Court is obtained. See §§1656 and 1657.
59. A trustee may make distribution to a custodian for a minor if authorized by the governing trust instrument and, in certain circumstances, may distribute to a custodian for a minor in the absence of authorization in the trust instrument provided that the transfer is not prohibited by or inconsistent with the trust instrument, the trustee believes that the transfer is in the best interest of the minor, and, if the amount involved exceeds \$10,000 in value, the approval of the Probate Court is obtained. See §§1656 and 1657.

60. The custodian terminates when the minor reaches the age of majority (18 in Maine) unless the transferor has specified in writing in the transfer instrument that the transfer shall not occur until the minor reaches a later age, not to exceed age 21. See §1671.

## MARYLAND

Stanard T. Klinefelter  
Baltimore, Maryland  
June 26, 1998

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Md. Est. and Trusts Code Ann. §§13-301 to 13-324.

61. On the life of the minor only if the minor or the minor's estate is the sole beneficiary.
62. On another person's life if the minor has an insurable interest in that person and only to the extent that the minor, the minor's estate, or the custodian in the capacity of custodian, is the irrevocable beneficiary.
63. If the custodian is a trust company the prudent investor rules of ET 15-114 furnish the standard of care. ET 13-312.
64. Third persons may proceed directly against the custodian (a) on a contract entered into in a custodial capacity, if the custodian fails to reveal that capacity and to identify the custodianship in the contract or (b) for a tort committed during the custodianship if the custodian is personally at fault. ET 13-317.
65. Except that one who has made a transfer by irrevocable gift to, or the irrevocable exercise of a power of appointment in favor of, a custodian for the benefit of a minor may not be a successor custodian. ET 13-318(b).
66. If the following conditions are met: (a) the fiduciary transferor considers the transfer to be in the best interests of the minor; (b) the transfer is not prohibited by or inconsistent with the provisions of the governing instrument; and (c) for transfers in excess of \$10,000, the transfer is authorized by the court. ET 13-306.
67. A trustee may distribute to a custodian whether or not a trust authorizes distribution. See note 66, *supra*.
68. Prior to a 1995 amendment to 13-320, Maryland followed the Uniform Act by providing custodianships created by fiduciaries without express authority in the governing instrument also terminate at age 18.

## MASSACHUSETTS

Winifred I. Li  
Boston, Massachusetts  
May 14, 1996

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Mass. Gen. L. Ch. 201A, §1 to 24.

69. A custodian may not designate the transferor as successor custodian.
70. If a custodian ceases to serve as custodian without having effectively designated a successor, and if the minor has attained age 14, then the minor may designate as successor custodian an adult member of the minor's family, a guardian of the minor or a trust company.
71. If the will does not contain specific authorization for the executor to make a transfer to a custodian, court authorization is required if the transfer exceeds \$10,000 in value.
72. If the trust does not contain specific authorization for the trustee to make a transfer to a custodian, court authorization is required if the transfer exceeds \$10,000 in value.

## **MICHIGAN**

Charles A. Janssen  
Lansing, Michigan  
May 15, 1996

Mich. Comp. Laws Ann. §§554.451 to 461.

## **MINNESOTA**

John W. Provo  
Minneapolis, Minnesota  
November 22, 1996

Minn. Stats. Chapter 527 §§527.21 to 527.44.

73. But only if minor or minor's estate is sole beneficiary.
74. But only if minor has an insurable interest on such person's life, and to the extent the minor, the minor's estate or the custodian is the irrevocable beneficiary of the policy.
75. Upon attaining age 14, the minor may designate an adult member of the minor's family, a conservator of the minor, or a trust company as successor custodian to succeed a custodian who dies, is ineligible, or becomes incapacitated without having effectively designated a successor. Minn. Stat. §527.38(d).

## **MISSISSIPPI**

W. McDonald Nichols  
Jackson, Mississippi  
April 17, 1998

Miss. Code Ann. §§91-20-

76. Only if minor or minor's estate is sole beneficiary.
77. Only if minor, minor's estate, or custodian in capacity as custodian, is the irrevocable beneficiary.

78. If designated by custodian, or if designated by minor 14 years of age if custodian is ineligible, dies or becomes incapacitated without having designated a successor.
79. If designated by minor 14 years of age if custodian is ineligible, dies, or becomes incapacitated without having designated a successor. If minor has not attained 14 or has attained 14 and fails to make designation within 60 days after the ineligibility, death or incapacity, then guardian of minor becomes successor custodian, or if minor has no guardian, the court can designate successor custodian. See §91-20-37.
80. Must be authorized by court if exceeds \$10,000 in value.
81. Must be authorized by court if exceeds \$10,000 in value.
82. Twenty-one, except 18 for property transferred under Miss. Code Ann. §§91-20-13 or 91-20-15.

## **MISSOURI**

Henry T. Lowe  
Columbia, Missouri  
May 8, 1996

Mo. Ann. Stat. §§404.005 to 404.094.

## **MONTANA**

David L. Johnson  
Billings, Montana  
May 4, 1998

Mont. Code Ann. §§72-26-501 to 72-26-803.

83. However, life insurance on the minor's life is permitted only if the minor's estate is the sole beneficiary. MCA §72-26-702.
84. Life insurance on another person's life is subject to the requirement that the minor have an insurable interest. In addition, the minor's estate, or the custodian, in the capacity of custodian, must be the irrevocable beneficiary. MCA §72-26-702(3)(b).
85. A custodian may be any adult individual, a corporation, organization or other legal entity. MCA §72-26-502(12).
86. However, if the will does not authorize distribution, it may be made only if the personal representative (1) considers the transfer to be in the best interest of the minor, (2) the transfer is not prohibited by or inconsistent with the provisions of the will, and (3) if the transfer exceeds \$10,000, the transfer is authorized by the court. MCA §72-26-606(3).

87. Age 18 applies if the transfer is by a personal representative or trustee without authorization pursuant to the governing document. That age also applies to a transfer by someone who holds property of the minor or owes a liquidated debt to a minor; if no custodian has been nominated, the amount that can be transferred shall not exceed \$10,000. MCA §§72-26-803(2), 72-26-606, and 72-26-607.
88. Age 21 applies if the transfer is by an irrevocable gift, the irrevocable exercise of a power of appointment, or a transfer by a personal representative or trustee as authorized in the governing will or trust. MCA §§72-26-803(1), 72-26-604 and 72-26-605.

## NEBRASKA

John C. Hurd  
Lincoln, Nebraska  
May 6, 1996

Neb. Rev. Stat. §§43-2701 to 43-2724.

89. Neb. Rev. Stat. §43-2713 (Reissue 1993) provides that custodian may pay premiums on the life of another person in whom the minor has an insurable interest but only to the extent that the minor, the minor's estate, or the custodian in the capacity of custodian is the irrevocable beneficiary.
90. Neb. Rev. Stat. §43-2718 (Reissue 1993) provides that the custodian is not personally liable under a contract unless the custodian fails to reveal his or her capacity and to identify the custodianship in the contract. The custodian is not personally liable for an obligation arising from control of custodial property or for a tort committed during the custodianship unless the custodian is personally at fault. A minor is not personally liable for an obligation arising from ownership of custodial property or for a tort committed during the custodianship unless the minor is personally at fault.
91. Neb. Rev. Stat. §43-2721 (Reissue 1993) provides that a custodianship terminates upon the minor attaining age twenty-one with respect to custodial property transferred pursuant to an irrevocable power of appointment (Neb. Rev. Stat. §43-2705, Reissue 1993) and any transfer as authorized in the governing will or trust (Neb. Rev. Stat. §43-2706, Reissue 1993).

## NEVADA

Prince A. Hawkins  
Reno, Nevada  
April 22, 1998

Nev. Rev. Stat. §§167.010 - 167.100.

92. Age 21, if specified in the document of transfer for *inter vivos* gifts; 25 if by will or irrevocable exercise of power of appointment.

## NEW HAMPSHIRE

Joseph S. Ransmeier  
Concord, New Hampshire  
April 28, 1998

N.H. Rev. Stat. Ann. §§463-A-1 to 24.

93. Paragraph II of Section 12 provides that if custodian has special skill or expertise or was designated on the basis that he has special skill or expertise, the custodian shall use that skill or expertise.
94. Paragraph III of Section 6 authorizes such distribution if (a) the executor believes it in best interest of the minor; (b) the transfer is not inconsistent with the will; (c) the transfer is authorized by the court if it exceeds \$10,000.
95. Subject to corresponding conditions to those indicated for executors in Note 87.
96. Paragraph I (b) of Section 20 provides for termination of custodianships deriving from transfers under Sections 6 and 7 of the Act when the beneficiary attains the age of 18 years. Such custodianships include those created pursuant to transfers from a fiduciary which were not expressly authorized by the governing will or trust (Section 6) and those deriving from transfers from an obligor owing a liquidated debt to, or holding property for, a minor not under conservatorship (Section 7, I).
97. Paragraph I (a) of Section 20 provides for termination of custodianships which derive from transfers under Sections 4 and 5 of the Act upon the beneficiary attaining the age of 21 years. These include custodianships which derive from customary *inter vivos* transfers by gift or by the exercise of a power of appointment (Section 4, and Section 9 as incorporated in Section 4 by reference) and those which derive from transfers by a fiduciary which are specifically authorized under the terms of the governing instrument (Section 5).

This provision would appear to cover the great majority of custodianships. For example, in addition to the limited group resulting from transfers by fiduciaries expressly authorized under the terms of their governing instruments, it includes all routine custodianships created to receive and administer transfers of cash or securities, those to hold and administer various other types of property expressly named in the statute, and also those created to receive any other property not so described which is "transferred to an adult other than the transferor or to a trust company by a written instrument in substantially the form set forth in Paragraph II." (Section 9, Paragraph I (g)).

## NEW JERSEY

David A. Ludgin  
Newark, New Jersey  
July 3, 1996

N.J. Stat. Ann. §§46:38A-1 to 57 (1989, Supp. 1996).

98. Insurance may be purchased only if the minor, the minor's estate or the custodian as custodian is the irrevocable beneficiary.
99. The donor may not be the custodian of certain types of property.
100. The transfer must be authorized by the court if over \$10,000, and cannot be made if the governing instrument prohibits such a transfer.
101. The transfer must be authorized by the court if over \$10,000, and cannot be made if the governing instrument prohibits such a transfer.
102. The age of termination is 21 for most property, but 18 (or a stated age between 18 and 21) if the donor so directs, if the transfer is from a will or a trust so providing, or from a guardian.

## NEW MEXICO

\*David W. Reinecke and  
Michelle M. Umberger  
Madison, Wisconsin  
June 2, 1997

N.M. Stat. Ann. §§46-7-11 to 34.

## NEW YORK

George R. Parsons, Jr.  
Rochester, New York  
September 5, 1996

N.Y. Est. Powers & Trusts Law §§7-6.1 to 7-6.25.

103. Limited partnership interests.
104. Not covered in the Act.
105. If elected by donor.

## NORTH CAROLINA

Cornelius W. Coghill, III  
Charlotte, North Carolina  
June 4, 1996

N.C. Gen. Stat. §§33A-1 to 33A-24 (1987).

106. The 1987 Act repealed the UGMA and enacted the UTMA, which is modeled upon the 1983 version. The 1987 version was effective October 1, 1987.

107. The North Carolina statute, like the UTMA, allows a custodian to invest in or pay premiums on life insurance or endowment policies on the life of the minor or another person, but does not mention annuity contracts, although an annuity contract is permissible custodial property.

108. A custodian may designate a trust company or an adult other than the transferor as successor custodian, but if the custodian fails to do so, the minor if the minor has attained age 14 may designate an adult member of the minor's family, guardian, or trust company as successor. If the minor has not attained age 14 or does not designate a successor, the guardian becomes successor.

109. If the value of the property is more than \$10,000, the transfer must be authorized by the court.

110. Termination age is 21 unless the transferor designates an age after 18 and before 21.

## NORTH DAKOTA

Robert E. Rosenvold  
West Fargo, North Dakota  
April 29, 1998

N.D. Cent. Code §§47-24.1-01 to 47-24.1-22 (1995 Supp.).

111. An executor or trustee may distribute to custodian for the benefit of a minor in absence of a will or trust, or under a will or trust that does not contain an authorization to do so, if (1) in best interest of minor, (2) not prohibited by or inconsistent with will or trust instrument, and (3) authorized by court if greater than \$10,000.

112. "Minor" means an individual who has not attained the age of 21 years. However, custodianship shall terminate upon the minor's attainment of age 18 with respect to certain transfers by fiduciaries or obligors.

## OHIO

Michael L. Stark  
Akron, Ohio  
May 10, 1996

Ohio Rev. Code §§1339.31 to 39.

113. Regardless of whether the will or trust contains such authorization, ORC §1339.32(E) provides that such a transfer may still be made if all of the following apply:

1. The trustee/executor considers the transfer to be in the best interest of the minor; and
2. Such transfer is not prohibited by or inconsistent with the will or trust; and

\*Since no response was received from the state reporter, the compiling editor and his associate completed the report for this state.

3. If the amount to be transferred is over \$10,000, the transfer is authorized by the appropriate court.

## OKLAHOMA

Mark R. Gillett  
Norman, Oklahoma  
March 9, 1997

Okla. Stat. Ann. tit. 58, §§1201 to 1225.

## OREGON

Jeffrey C. Thede  
Portland, Oregon  
April 22, 1996

ORS §§126.805 to 126.886 (1995).

114. Uniform Laws Annotated classifies the Oregon Act as a substantial adoption of the 1983 UTMA. The most significant difference in the Oregon Act is a limitation on the custodian's duty to account for the custodian's actions, as follows:

"The custodian shall not be required to account to the minor or to any other person for the acts and proceedings of the custodian unless the minor, a parent of the minor, the legal representative of the minor or a successor custodian shall petition the circuit court for such an accounting no later than two years after the minor becomes an adult or attains a lesser age as provided in [the Oregon UTMA] or dies before becoming an adult or attaining that lesser age."  
ORS 126.875.

115. Custodian may designate an adult or trust company as successor; if custodian does not effectively designate a successor, minor over age 14 may designate an adult family member, trust company, or conservator (following 1983 UTMA). ORS 126.862.
116. Termination at age 21 as to transfer by gift or authorized transfers by personal representative or trustee; age 18 as to other transfers (following 1983 UTMA). ORS 126.869.

## PENNSYLVANIA

G. Donald Gerlach  
Pittsburgh, Pennsylvania  
June 1, 1996

20 Pa. Cons. Stat. Ann. §§5301 to 5320 (effective 12/16/92).

## RHODE ISLAND

James H. Barnett  
Providence, Rhode Island  
April 24, 1998

R.I. Gen. Laws §§18-7-1 to 18-7-26.

117. The current Rhode Island Statute is quite close to the 1966 Act; however, it is broader than the 1966 Act in that: (1) it permits a custodian to resign, (2) it does not limit an adult successor custodian to being a member of the minor's family, and (3) it provides a clear procedure if an acting custodian dies not having designated a successor.

118. Executor or trustee must consider transfer in best interest of minor, transfer must not be prohibited by or inconsistent with provisions of governing instrument, and transfer must be authorized by the Court if it exceeds \$10,000.

## SOUTH CAROLINA

James C. Hardin III  
Rock Hill, South Carolina  
July 22, 1996

S.C. Code Ann. §§20-7-140 to 20-7-240.

## SOUTH DAKOTA

Ronald R. Johnson  
Lemmon, South Dakota  
April 20, 1998

S.D. Compiled Laws §§55-10A-1 to 55-10A-26.

119. As limited by Section 12 UTMA.

## TENNESSEE

Jack W. Robinson, Sr.  
Nashville, Tennessee  
April 21, 1998

Tenn. Code Ann. §§35-7-201 to 35-7-226.

120. A transferor (donor) may not serve as custodian unless the property is of a type specifically enumerated in the Act. TCA § 35-7-210(a).
121. A custodian may designate as a successor a trust company or adult other than a transferor (donor). In the absence of a designated successor, a minor 14 or over may designate an adult family member, guardian or trust company as a successor; if under 14, the minor's guardian becomes the successor. TCA §35-7-219.
122. If not authorized by will or trust, distribution to custodian may still be made if three conditions are met. TCA §35-7-207.
123. Termination may be delayed up to 25 if language required by statute is inserted. TCA §35-7-221.



## TEXAS

Jerry Frank Jones  
Austin, Texas  
June 5, 1996

Texas Property Code §141.001, et. seq. (1996).

124. Since 1983 Texas has had an adaptation of the Uniform Gifts to Minors Act. The 1995 Texas legislature adopted the Uniform Transfers to Minors Act, Texas Property Code Sections 141.001 et seq. It was adopted virtually intact.
125. Texas tracks the procedure set out in the 1983 Uniform Act.
126. Guardians: The statute also allows transfers by guardians with court permission (Tex. Prop. Code Section 141.007(b)).
127. Because of constitutional concerns, the new act makes clear that the increase in age (from 18 to 21) does not apply to existing custodianships (Texas Property Code Section 141.023).

Some financial institutions in Texas have refused to accept additional contributions to old accounts and have required the opening of new accounts for any new contributions. The Real Estate, Probate and Trust Law Section of the State Bar of Texas has proposed legislation to make clear that new contributions can be made to the old accounts.

## UTAH

Thomas Christensen, Jr.  
Salt Lake City, Utah  
May 1, 1998

Utah Code Ann. §§75-5a-101 to 75-5a-123.

## VERMONT

R. Clarke Smith  
Rutland, Vermont  
April 17, 1996

Vt. Stat. Ann. tit. 14, §§3201 to 3209.

128. Gifts of money may be deposited in the following types of banks under the Vermont law: "savings bank and trust company, trust company, national banking association, savings bank, or savings institution authorized to do business in Vermont." Vt. Stat. Ann. tit. 14, §3201 (2) (1974). A savings and loan association could arguably be included in the last category.
129. The following original custodians are permitted for various types of gifts: (1) *Registered securities*: donor, another adult, adult family member, guardian, or trust company. (b) *Unregistered securities*:

An adult other than the donor, or a trust company. (Query: can an adult family member be an original custodian for unregistered securities, even though not specifically provided for in that category of gift? Note that adult family members, as well as other adults, *are* named in other gift categories.) (c) *Money*: donor, another adult, adult family member, guardian or bank with trust powers. (d) *Life insurance or annuity contracts*: donor, adult family member, guardian, or trust company.

130. Vermont's statute provides that a custodian "shall invest and reinvest the custodial property as would a prudent man of discretion and intelligence who is seeking a reasonable income and the preservation of his capital, except that he may, in his discretion and without liability to the minor or his estate, retain a security given to the minor in a manner prescribed in this chapter." 14 Vt. Stat. Ann., tit. 14, §3204(e).
131. Vermont's version of the Uniform Gifts to Minors Act contains no provision similar to §17 of the Uniform Transfers to Minors Act.
132. The Vermont succession procedure follows the 1956 UGMA procedure except that it does not allow an original custodian to resign and designate his successor without petitioning the court.

## VIRGINIA

James L. Boring  
Vienna, Virginia  
April 21, 1998

Va. Code §§31-37 to 31-59.

133. "Dealing with such person's own property." §31-48.
134. If the will or trust does not authorize payment to a custodian, the personal representative or trustee may make the transfer only if the fiduciary considers it in the best interests of the minor and it is not prohibited by the governing instrument; if transfer exceeds \$10,000 in value, Court approval is required. Va. Code §31-42.

## WASHINGTON

Peter J. Glase  
Seattle, Washington  
Nov. 20, 1996

Wash. Rev. Code Ann. §§11.114.010 to 11.114.904 (1991, Supp. 1996).

135. The Washington UTMA authorizes irrevocable transfers to a minor in the absence of a will, or express authorization in a will or trust, if the custodian considers the transfer to be in the best interest of

the minor, the transfer is not expressly prohibited by or inconsistent with the will or other governing instrument, and there is court authorization if the transfer exceeds \$30,000. Wash. Rev. Code Ann. 11.114.060 (1991).

136. The Washington UTMA termination of custodianship age is eighteen if transfers are being made in the best interest of the minor and not provided by, prohibited by or inconsistent with the will or other governing documents, or are expressly authorized by the court if their amount exceeds \$30,000 as provided by Wash. Rev. Code Ann. 11.114.060 (1991), or if they are related to the payment of a debt to the custodian which was owed to the minor, as provided by Wash. Rev. Code Ann. 11.114.070 (1991). Wash. Rev. Code Ann. 11.114.200 (1991).
137. The Washington UTMA termination of custodianship age is 21 if transfers are being made by the exercise of an irrevocable power of appointment as provided by Wash. Rev. Code Ann. 11.114.040 (1991), or by an irrevocable gift authorized in the will, trust or other governing instrument as provided by Wash. Rev. Code Ann. 11.114.050 (1991). Wash. Rev. Code Ann. 11.114.200 (1991).

## WEST VIRGINIA

Noel P. Copen  
Huntington, West Virginia  
October 23, 1996

W. Va. Code §36-7-1 to 36-7-24.

138. The transferor may under certain circumstances designate any adult or trust company as substitute or successor custodian [§§36-7-3(a) and 36-7-18(a)]. The custodian may designate a trust company or an adult other than the transferor as successor custodian [§36-7-18(b)]. The minor may under certain circumstances designate an adult member of the minor's family, a conservator of the minor or a trust company as successor custodian [§36-7-18(d)].
139. Such transfers are authorized only if (i) the executor considers the transfer to be in the minor's best interest, (ii) the transfer is not prohibited by or inconsistent with provisions of the governing instrument, and (iii) the transfer is authorized by the court if it exceeds \$10,000 in value [§36-7-6(c)].
140. Twenty-one years of age for transfers by gift or exercise of power of appointment and for transfers authorized by will or trust [§36-7-20(1)]. Eighteen years of age for other transfers by fiduciaries and transfers by obligors [§36-7-20(2)].

## WISCONSIN

David W. Reinecke  
Madison, Wisconsin  
April 20, 1998

Wis. Stat. Ann. §§880.61 to 880.72 (1995-96).

## WYOMING

Thomas N. Long  
Cheyenne, Wyoming  
December 3, 1996

Wyo. Stat. §§34-13-114 to 34-13-137.

141. The claims against a custodian are generally limited to custodial property *unless* the custodian fails to reveal the custodial capacity and to identify the custodianship in any contract giving rise to the liability. Tort liability could arise if the custodian is personally at fault. Wyoming law tracks verbatim with Section 13 of the UTMA.
142. In the absence of authorizing language in the governing instrument, court approval is required if the amount exceeds \$10,000.
143. Wyoming follows the UTMA regarding age of majority being the termination date for property received from a fiduciary or from an obligor. The Wyoming age of majority is 18.