



Ohio Revised Code

Section 5812.31 Insubstantial allocations not required.

Effective: January 1, 2007

Legislation: House Bill 416 - 126th General Assembly

If a trustee determines that an allocation between principal and income required by section 5812.32, 5812.33, 5812.34, 5812.35, or 5812.38 of the Revised Code is insubstantial, the trustee may allocate the entire amount to principal unless one of the circumstances described in division (C) of section 5812.03 of the Revised Code applies to the allocation. This power may be exercised by a cotrustee in the circumstances described in division (D) of that section and may be released for the reasons and in the manner described in division (E) of the section. An allocation is presumed to be insubstantial if either of the following applies:

(A) The amount of the allocation would increase or decrease net income in an accounting period, as determined before the allocation, by less than ten per cent.

(B) The value of the asset producing the receipt for which the allocation would be made is less than ten per cent of the total value of the trust's assets at the beginning of the accounting period.
