

1 STATE OF OKLAHOMA

2 1st Session of the 55th Legislature (2015)

3 COMMITTEE SUBSTITUTE

4 FOR

5 SENATE BILL 774

6 By: Sykes

7 COMMITTEE SUBSTITUTE

8 An Act relating to trust property; amending 60 O.S.  
9 2011, Sections 31, 32 and 175.47, which relate to  
10 estates in real property and suspension of absolute  
11 power of alienation; clarifying applicability of  
12 provisions; providing that certain power not  
13 suspended under certain circumstances; updating  
14 statutory reference; clarifying application of common  
15 law rule against perpetuities; repealing 60 O.S.  
16 2011, Section 33, which relates to suspension of  
17 power of alienation; and providing an effective date.

18 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

19 SECTION 1. AMENDATORY 60 O.S. 2011, Section 31, is  
20 amended to read as follows:

21 Section 31. A. The absolute power of alienation shall not be  
22 suspended, by any limitation or condition whatever, for a longer  
23 period than during the continuance of the lives of persons in being  
24 at the creation of the limitation or condition plus twenty-one (21)  
years, except as provided in Section 34 of Title 60 of the Oklahoma  
Statutes.

1        B. The provisions of this section apply solely to real property  
2 not held in trust.

3        SECTION 2.        AMENDATORY        60 O.S. 2011, Section 32, is  
4 amended to read as follows:

5        Section 32.    A. The absolute ownership of a term of years  
6 cannot be suspended for a longer period than the absolute power of  
7 alienation can be suspended in respect to a fee.

8        B. The provisions of this section apply solely to real property  
9 not held in trust.

10       SECTION 3.        AMENDATORY        60 O.S. 2011, Section 175.47, is  
11 amended to read as follows:

12       Section 175.47    A. Except as otherwise provided ~~by~~ in  
13 subsection B of this section, the absolute power of alienation of  
14 real and personal property, or either of them, shall not be  
15 suspended by any limitations or conditions whatever for a longer  
16 period than during the continuance of a life or lives of the  
17 beneficiaries in being at the creation of the estate and twenty-one  
18 (21) years thereafter.    The absolute power of alienation is not  
19 suspended if there is any person in being who, alone or in  
20 combination with one or more others, has the power to sell,  
21 exchange, or otherwise convey the real or personal property. If the  
22 terms of a trust do not suspend the absolute power of alienation of  
23 any trust property beyond the term permitted in this subsection, the  
24 trust may exist in perpetuity.

1 B. The provisions of this section shall not apply when property  
2 is given, granted, bequeathed, or devised to:

3 1. A charitable use;

4 2. Literary, educational, scientific, religious, or charitable  
5 corporations for their sole use and benefit;

6 3. Any cemetery corporation, society or association;

7 4. The Department of Mental Health and Substance Abuse Services  
8 as provided in Section ~~4~~ 2-111 of ~~this act~~ Title 43A of the Oklahoma  
9 Statutes; or

10 5. Gifts absolute, limited, or in trust, for the advancement of  
11 medical science to an incorporated state society of physicians and  
12 surgeons.

13 C. Except as provided in this section, the common law rule  
14 against perpetuities shall not apply to a trust subject to the trust  
15 laws of this state.

16 SECTION 4. REPEALER 60 O.S. 2011, Section 33, is hereby  
17 repealed.

18 SECTION 5. This act shall become effective November 1, 2015.

19  
20 55-1-1472 TEK 2/24/2015 11:15:56 AM  
21  
22  
23  
24