Tennessee Wills & Trusts
February 2024
(v.24.01)

_____

Legal Developments

Distribution Changes

Lawgic allows for residuary distributions in a number of ways; one common way if no other family is to receive the balance was to name individuals or charities as ultimate beneficiaries. Based on customer feedback, we made this section clearer and more efficient.

Corporate Transparency Act language

Language has been added in the Provisions Governing Trustees article to address the new requirements imposed by the recently enacted Corporate Transparency Act, taking effect in 2024. The Trustee will sometimes be required to provide information on trust beneficiaries (and even powerholders) under the new law, and this new language (i) authorizes the Trustee to release that information; (ii) gives the Trustee power to withhold distributions if a beneficiary refuses to provide personal data; and (iii) exonerates the Trustee from liability and provides for repayment of fines and penalties. While denominated as a means to acquire ownership information on business entities (to aid in preventing money laundering), the provisions of the law are expected to impact trusts as well.

Program Updates

The tax numbers within the program have been updated to reflect the 2024 Inflation Adjustments recently released by the IRS.

Various spelling and grammatical anomalies were also corrected.

Other Wording Changes

GST Exempt Trusts were differentiated by whether they were held for children only or for descendants more broadly. Sometimes the references to "child" were confusing when other descendants were also seen as beneficiaries, so we changed all references for such trusts to "beneficiary." We also corrected an erroneous reference to a later trust when using a Dynasty Trust.

Based on a customer request, we expanded the exception for the age cutoff on adopted children to include a child's biological parent (in case the parents are not married at the

Page 2
Tennessee Wills & Trusts
February 2024 (24.01)

child's birth). While we did not see this as a conflict in our definition of descendants, this
will avoid questions.

* * * * *

To view the questions that have revised **Law & Strategy** use the **"Up_2401"** flag file.
From inside Lawgic, open any existing answer file; on the **Flags** menu, click **Open Flags**,
select the appropriate Title (click **OK**), and next select the "**Up_2401**" flag file (and click
OK). To view all flagged questions, click **Expand All** on the **Answers** menu and scroll
the Navigator. Flagged questions will be indicated with **blue bold** text.

***Please continue to send us your suggestions on existing or new products.
Contact our Technical Support Department at 1-877-2-LAWGIC (252-9442) or e-
mail us at support@lawgic.com.***