

58-9-410. Liquidating asset. (a) As used in this section, "liquidating asset" means an asset whose value will diminish or terminate because the asset is expected to produce receipts for a period of limited duration. The term includes a leasehold, patent, copyright, royalty right, and right to receive payments during a period of more than one year under an arrangement that does not provide for the payment of interest on the unpaid balance. The term does not include a payment subject to K.S.A. 58-9-409 and amendments thereto, resources subject to K.S.A. 58-9-411 and amendments thereto, timber subject to K.S.A. 58-9-412 and amendments thereto, an activity subject to K.S.A. 58-9-414 and amendments thereto, an asset subject to K.S.A. 58-9-415 and amendments thereto, or any asset for which the trustee establishes a reserve for depreciation under K.S.A. 58-9-503 and amendments thereto.

(b) A trustee shall allocate to income 10 percent of the receipts from a liquidating asset and the balance to principal.

History: L. 2000, ch. 61, § 19; July 1.