

## 2023 Kansas Statutes

**58-9a-503. Transfer from income to principal for depreciation.** (a) In this section, "depreciation" means a reduction in value due to wear, tear, decay, corrosion or gradual obsolescence of a tangible asset having a useful life of more than one year.

(b) A fiduciary may transfer to principal a reasonable amount of the net cash receipts from a principal asset that is subject to depreciation, but may not transfer any amount for depreciation:

- (1) Of the part of real property used or available for use by a beneficiary as a residence;
- (2) of tangible personal property held or made available for the personal use or enjoyment of a beneficiary; or
- (3) under this section, to the extent the fiduciary accounts:
  - (A) Under K.S.A. 2023 Supp. 58-9a-410, and amendments thereto, for the asset; or
  - (B) under K.S.A. 2023 Supp. 58-9a-403, and amendments thereto, for the business or other activity in which the asset is used.

(c) An amount transferred to principal under this section need not be separately held.

**History:** L. 2021, ch. 63, § 35; July 1.