

RCW 11.104B.450 Disbursements—Income taxes. (1) A tax required to be paid by a fiduciary based on receipts allocated to income must be charged to income.

(2) A tax required to be paid by a fiduciary based on receipts allocated to principal must be charged to principal, even if the tax is called an income tax by the taxing authority.

(3) A tax required to be paid by a fiduciary on a share of an entity's taxable income must be charged:

(a) To income to the extent that receipts from the entity are allocated only to income;

(b) To principal to the extent that receipts from the entity are allocated only to principal;

(c) Proportionately to income and principal to the extent that receipts from the entity are allocated to both income and principal.

(4) Before applying subsections (1) through (3) of this section, the trustee must adjust income or principal receipts by the distributions to a beneficiary for which the trust receives an income tax deduction. [2021 c 140 s 2506.]