

**DISTRICT OF COLUMBIA**  
**OFFICIAL CODE**

**TITLE 26.**  
**BANKS AND OTHER FINANCIAL**  
**INSTITUTIONS.**

**CHAPTER 4.**  
**COMMON TRUST FUNDS.**

**2001 Edition**

# DISTRICT OF COLUMBIA OFFICIAL CODE

## CHAPTER 4. COMMON TRUST FUNDS.

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## CHAPTER 4. COMMON TRUST FUNDS.

*Refs & Annos*

Jurisdiction	Laws	Effective Date	Statutory Citation
Alabama	1943, p. 563	7-8-1943	Code 1975, §§ 5-12A-1 to 5-12A-15.
Alaska	1964, c. 14	7-1-1964	AS 06.35.010 to 06.35.050.
Arizona	1971, c. 160	1-1-1972	A.R.S. §§ 6-871 to 6-874.
Arkansas	1947, Act 394	7-1-1947	A.C.A. §§ 28-69-201, 28-69-202.
California	1947, p. 903	9-19-1947	West's Ann.Cal.Fin.Code, § 1564.
Colorado	1947, c. 325	1-1-1948	West's C.R.S.A. §§ 11-24-101 to 11-24-107.
District of Columbia	1949, 63 Stat. 938	11-1-1949	D.C. Official Code, 2001 Ed. §§ 26-401 to 26-404.
Florida	1941, c. 20353	5-19-1941	West's F.S.A. §§ 660.42 to 660.44.
Hawaii	1947, c. 130		HRS § 412:8-402.
Idaho	1949, c. 34	2-5-1949	I.C. §§ 68-701 to 68-703.
Illinois	1943, p. 230	7-29-1943	S.H.A. 760 ILCS 45/1 to 45/8.
Iowa	1963, c. 326	1-1-1964	I.C.A. §§ 633.126 to 633.129.
Kansas	1951, c. 123	3-29-1951	K.S.A. 9-1609, 9-1610.
Maine	1954, c. 59	9-1-1951	18-A M.R.S.A. §§ 7-501, 7-502.
Massachusetts	1969, c. 417	6-16-1969	M.G.L.A. c. 203A, §§ 1 to 6.
Michigan	1941, No. 174	1-10-1942	M.C.L.A. §§ 555.101 to 555.113.
Mississippi	1950, c. 328	6-30-1950	Code 1972, § 81-5-37.
Missouri	1955, p. 253	5-24-1955	V.A.M.S. § 362.580.
Montana	1955, c. 64	3-4-1955	MCA 32-1-701 to 32-1-708.
Nebraska	1953, c. 67	3-28-1953	R.R.S.1943, §§ 30-3202, 30-3207.
Nevada	1955, c. 21	7-1-1955	N.R.S. 164.070 to 164.100.
New Hampshire	1953, c. 109	4-17-1953	RSA 391:1 to 391:8.
New Mexico	1955, c. 66	3-4-1955	NMSA 1978, §§ 46-1-13 to 46-1-16.
North Carolina	1939, c. 200	7-1-1939	G.S. §§ 53-163.5 to 53-163.9.
Oklahoma	1965, c. 161	10-21-1965	6 Okl.St.Ann. § 1010.
Oregon	1951, c. 79	2-22-1951	ORS 709.170.
Rhode Island	1956, c. 3839		Gen.Laws 1956, §§ 18-5-1 to 18-5-7.
South Dakota	1941, c. 20	3-14-1941	SDCL 55-6-1 to 55-6-7.
Tennessee	1953, c. 148	4-10-1953	T.C.A. §§ 35-4-101 to 35-4-105.
Texas	1947, c. 209, p. 371	1-1-1948	V.T.C.A. Property Code, §§ 113.171, 113.172.
Utah	1951, c. 9	3-1-1951	U.C.A.1953, 7-5-13.
Washington	1943, c. 55	3-3-1943	West's RCWA 11.102.010 to 11.102.050.
West Virginia	1945, c. 4	2-22-1945	Code, 44-6-6 to 44-6-8.
Wisconsin	1943, c. 274	6-10-1943	W.S.A. 223.055.
Wyoming	1955, c. 17	1-25-1955	Wyo.Stat.Ann. §§ 2-3-401 to 2-3-406.

### § 26-401. ESTABLISHMENT.

Any bank or trust company qualified to act as fiduciary in the District of Columbia may, subject to such rules and regulations as may be promulgated from time to time by the Board of Governors of the Federal Reserve System under the provisions of § 92a of Title 12, United States Code, as amended, pertaining to the collective investment of trust funds by national banks, establish common trust funds for the purpose of furnishing investments to itself as fiduciary, or to itself and others as cofiduciaries; and may, as such fiduciary or cofiduciary, invest funds which it lawfully holds for investment in interests in such common trust funds, if such investment is not prohibited by the instrument, judgment, decree, or order creating such fiduciary relationship, and if, in the case of cofiduciaries, the bank or trust company procures the written consent of its cofiduciaries to such investment.

(Oct. 27, 1949, 63 Stat. 938, ch. 767, § 1.)

*HISTORICAL AND STATUTORY NOTES*

*Prior Codifications*

1981 Ed., § 26-301.

1973 Ed., § 26-701.

*Uniform Law*

This section is based upon § 1 of the Uniform Common Trust Fund Act. See Volume 7, Part II Uniform Laws Annotated, Master Edition, or ULA Database on WESTLAW.

**§ 26-402. TAXABILITY.**

(a) A common trust fund, as herein defined, shall not be subject to any tax imposed by Chapter 18 of Title 47, and for the purpose of said subchapter shall not be deemed to be a corporation.

(b) The net income of a common trust fund shall be computed in the same manner and on the same basis as in the case of an individual. Each participant in a common trust fund shall include, in computing its net income, its proportionate share of the net income of such fund, whether or not distributed to it, and the amount so included in the net income of a participant shall be taxable to such participant, or its beneficiaries, in the manner and to the extent provided in subchapter IX of Chapter 18 of Title 47, as if any amount not distributed to the participant during its taxable year actually had been so distributed.

(c) No gain or loss shall be realized by a common trust fund upon the admission or withdrawal of a participant, or upon the admission or withdrawal of any interest of a participant. The withdrawal of any participating interest by a participant shall be treated as a sale or exchange of such interest by such participant.

(d) Every bank or trust company maintaining a common trust fund shall make a return under oath for the taxable year of such fund.

(e) If the taxable year of a common trust fund is different from that of a participant therein, the proportionate share of the net income of such fund to be included in computing the net income of such participant for its taxable year shall be based upon the net income of such fund for its taxable year ending within the taxable year of such participant.

(Oct. 27, 1949, 63 Stat. 938, ch. 767, § 2.)

*HISTORICAL AND STATUTORY NOTES*

*Prior Codifications*

1981 Ed., § 26-302.

1973 Ed., § 26-702.

**§ 26-403. COURT ACCOUNTINGS.**

Unless ordered by a court of competent jurisdiction the bank or trust company operating such common trust funds is not required to render a court accounting with regard to such common trust funds; but it may, by application to the Superior Court of the District of Columbia, secure approval of such accounting on such conditions as the Court may establish.

(Oct. 27, 1949, 63 Stat. 938, ch. 767, § 3; July 29, 1970, 84 Stat. 572, Pub. L. 91-358, title I, § 155(c) (34).)

*HISTORICAL AND STATUTORY NOTES*

*Prior Codifications*

1981 Ed., § 26-303.

1973 Ed., § 26-703.

*Uniform Law*

This section is based upon § 2 of the Uniform Common Trust Fund Act. See Volume 7, Part II Uniform Laws Annotated, Master Edition, or ULA Database on WESTLAW.

**§ 26-404. UNIFORMITY OF LAWS.**

This chapter shall be so interpreted and construed as to effectuate its general purpose to make uniform the law of the District of Columbia with the law of those states which enact the Uniform Common Trust Fund Act.

(Oct. 27, 1949, 63 Stat. 939, ch. 767, § 4.)

*HISTORICAL AND STATUTORY NOTES*

*Prior Codifications*

1981 Ed., § 26-304.

1973 Ed., § 26-704.

*Uniform Law*

This section is based upon § 3 of the Uniform Common Trust Fund Act. See Volume 7, Part II Uniform Laws Annotated, Master Edition, or ULA Database on WESTLAW.