

**637.410 Principal receipts.**

The following items must be allocated to principal:

1. To the extent not allocated to income under [this chapter](#), assets received from any of the following sources:
    - a. A transferor during the transferor's lifetime.
    - b. A decedent's estate.
    - c. A trust with a terminating income interest.
    - d. A payor pursuant to a contract naming the trust or its trustee as beneficiary.
  2. Cash or other property received from the sale, exchange, liquidation, or change in form of a principal asset, including realized profit, subject to [this subchapter](#).
  3. Amounts recovered from third parties to reimburse the trust because of disbursements described in [section 637.502, subsection 1](#), paragraph "g", or for other reasons to the extent not based on the loss of income.
  4. Proceeds of property taken by eminent domain, but a separate award made for the loss of income with respect to an accounting period during which a current income beneficiary had a mandatory income interest is income.
  5. Net income received in a period during which there is no beneficiary to whom a trustee may or must distribute income.
  6. Other receipts, as provided in part 3.
- [99 Acts, ch 124, §12](#)