

## RESOURCES

### UNIFORM GIFTS TO MINORS ACT/ UNIFORM TRANSFER TO MINORS ACT

**Policy:** The New York State Uniform Gifts to Minors Act (UGMA) and the Uniform Transfers to Minors Act (UTMA) provide a simple and inexpensive method of making gifts to minors. The custodian of a UGMA/UTMA custodial account may provide to the minor, or expend for the minor's benefit, as much of the custodial property as the custodian considers advisable for the use and benefit of the minor. However, the minor has no entitlement to the custodial property until he or she becomes an adult, a term which is defined differently under the UGMA and the UTMA.

**References:**

SSL Sect.	366 366-ee
ADM	10 OHIP/ADM-01
GIS	09 MA/027

**Interpretation:** The UGMA was repealed in 1997, and the provisions of the UTMA govern accounts established under either statute. The UTMA generally requires the custodian to transfer the custodial property to the minor when the minor reaches the age of 21 (unless the person creating the account, in designating the custodian, elects the age of 18 instead). However, with respect to accounts created before January 1, 1997 (i.e., accounts created when the UGMA was in effect), including deposits made to such accounts on or after January 1, 1997, the custodian is required to turn over the custodial property when the minor reaches the age 18.

For an SSI-related child, UGMA/UTMA funds are disregarded when determining Medicaid eligibility. Disbursements from such accounts may be countable income to the child if used to make certain third party vendor payments. A third party vendor payment is a payment made directly to a vendor (e.g., a merchant, retailer or contractor) by a third party for goods or services the vendor has provided to an A/R.

When the minor reaches age 21 (or age 18, as the case may be), the UGMA/UTMA funds become available. They are treated as unearned income in the month the child turns such age and a resource thereafter, if retained.