

501B.07 PURCHASE MONEY RESULTING TRUSTS.

If a transfer of property is made to one person and the purchase price is paid by another, a resulting trust is presumed to arise in favor of the person by whom the purchase price is paid, except:

- (1) if the person by whom the purchase price is paid manifests a contrary intention, no resulting trust is presumed to arise;
- (2) if the transferee is a spouse, child, or other natural object of bounty of the payor, a gift in favor of the transferee is presumed and no resulting trust is presumed to arise; and
- (3) if the transfer is made to accomplish an illegal purpose, no resulting trust is presumed to arise unless it is needed to prevent unjust enrichment of the transferee.

History: 1989 c 340 art 1 s 7