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sender's email address:
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Via Email: senator.john.coghill@akleg.gov
And Regular Mail

Senator John Coghill
Leg-State Senate District B
120 Fourth Street, Ste. 119
Juneau, AK 99801

Re: Senate Bills 15 and 47

Dear Senator Coghill:

Thank you for your sponsorship and support of Senate Bills 15 and 47. Since the passage of the Alaska Trust Act in 1997, Alaska has become a favored state for trust and estate planning. Alaska's lack of an income tax and its progressive and forward thinking estate planning and trust legislation has made Alaska a good place to invest and administer assets. These two Senate bills continue in that tradition.

As you know, SB 15 changes the tax on life insurance premiums from 1% to .08%. While this may seem like a small change, this will help Alaska maintain parity with South Dakota on its life insurance premium tax and will continue to allow Alaska to be a premier state for estate planning.

Alaska has received millions of dollars in insurance premium tax revenues due to its favorable estate planning climate. Alaska must keep pace with other states in order to continue to be a place where estate planners want to purchase insurance; without these benefits, Alaska would not have received this revenue. Without this change, Americans may invest in more tax favored jurisdictions. This proposed change will not cost the State anything and, will bring more insurance tax revenue to the State because more people will invest in policies here.

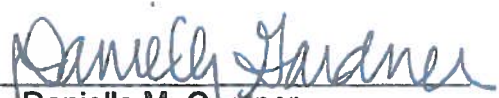
SB 47 allows the asset protection on life insurance annuities to be unlimited, like ERISA benefits under federal law. Similar to SB 15, this change will encourage those with assets outside of Alaska to house them here, to obtain the protection that Alaska law will offer.

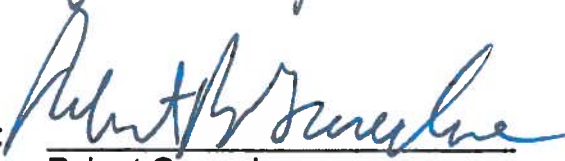
We encourage you to continue your efforts for the passage of both bills and appreciate your efforts in continuing to make Alaska a premier estate planning jurisdiction, at parity with states in competition with Alaska for this business.

Sincerely,

COOK SCHUHMANN & GROSECLOSE, INC.

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