March 18, 2013

Senator John Coghill
State Senate
State Capitol Room 119
Juneau AK, 99801

Dear Senator Coghill,

On behalf of Alaska Trust Company, we would like to emphasize the importance of SB 65.

This bill updates and provides increased clarity to Alaska's unique and favorable trust laws. Since the passage of the Alaska Trust Act in 1997, Alaska has become a premier jurisdiction for trust planning. Our distinctive statutes have made Alaska a top destination for trust business and have provided Alaska with increased revenue, job creation and great benefits for our residents.

More specifically, due to the asset requirement for Alaska trusts, local banks have received tens of millions of dollars in additional deposits. Due to Alaska's favorable life insurance premium tax structure and the benefits of holding life insurance inside of a trust, the State has received millions of dollars in insurance premium tax revenue. The funds placed in local banks has allowed for increased lending and economic activity, the increased insurance premium tax revenue has benefited the State, the administration of these trusts has created hundreds of jobs and tens of thousands of Alaskans have used these progressive statutes to engage in advantageous financial planning. Additionally, these laws have cost the state of Alaska nothing.

The Alaska Trust Act created such significant planning opportunities that it has attracted families from all across America to use Alaska for a portion of their financial planning. In fact, these laws are so differentiating that approximately 14 other states have now adopted similar legislation, providing Alaska's trust industry with significantly increased competition. With your support, SB 65 will help to ensure that Alaska remains at the forefront of trust planning and retains its status as a premier trust situs.

With this, we would like to voice our strong support for the ratification of Senate Bill 65.

Sincerely,

Matthew D. Blattmachr
Vice President and Trust Officer