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VIA EMAIL: [Senator.Mia.Costello@akleg.gov](mailto:Senator.Mia.Costello@akleg.gov)

Senator Mia Costello  
State Senate  
State Capital Room 504  
Juneau, Alaska 99801

Dear Senator Costello,

On behalf of myself and my law firm, we would like to emphasize the importance of Senate Bill 94 - *"An Act relating to trusts and powers of appointment; and providing for an effective date."*

I am both the current and past state chair for ACTEC ([www.actec.org](http://www.actec.org)), and since 1997, a number of us have been working hard to make Alaska a leader in adopting laws to improve estate and tax planning options for both Alaskans and non-Alaskans. We like to consider ourselves as the "go-to jurisdiction" for estate and trust planning. I think we have done that well — so well that now a number of other states are copying us and trying to one-up us.

I see Senate Bill 94 as a continuation of keeping Alaska in the forefront and as leader in the 50 states for estate and trust planning. Senate Bill 94 expands and adds clarification to our existing statutes allowing us to better serve all of those that want to use Alaska as their primary estate trust planning jurisdiction. Our distinctive trusts statutes have provided Alaska with increased revenue, job creation and industry diversification.

Senate Bill 94 looks mainly to update two existing statues, decanting and powers of appointment. The following is a description of each area.

**Decanting.** Decanting, of course, is the act of pouring liquid from one container to another as often occurs with wine. When one trust pays (or pours) its assets to another trust, this too is referred to as decanting. Decanting is used to correct

drafting errors, reduce costs of trust administration, enhance tax effects and many other reasons. While Alaska has had decanting statutes for nearly 20 years, Senate Bill 94 would provide additional flexibility and clarification to this great statutory provision.

**Powers of Appointment.** One of the most powerful estate planning tools is to grant someone, such as a beneficiary, a "power of appointment," which allows that person the right to specify where property will pass at certain times, such as when the beneficiary dies. The proposal would clarify certain aspects of Alaska law relating to these powers so they can be used more efficiently for tax and other reasons.


These and many other Alaska laws the Legislature has enacted have benefitted Alaskans, and have resulted in increased revenues and millions of dollars being deposited in financial institutions in the state which, in turn, have provided funding for Alaska businesses, and provided significant work for many Alaskans. We hope to see this success continue for years to come and thank you for your support in helping us to achieve this goal.

With this, my law firm and I would like to voice our strong support for the ratification of Senate Bill 94.

Sincerely,

MANLEY & BRAUTIGAM, P.C.

By:

  
Peter B. Brautigam