



February 1, 2022

Via email to:
house.labor.and.commerce@akleg.gov
Trevor.Bailly@akleg.gov

Attn: State of Alaska House Labor & Commerce
Senator Tom Begich
State Capitol Room 11
Juneau, Alaska 99801

Re: Senate Bill 11

Dear Co-Chairs Fields and Spohnholz,

It is a pleasure to be able to write and offer my support to SB 11 which is a technical fix to Community Property Trusts. While the content of the Bill at first glance may appear minor, the technical correction to AS 34.77.030(h) of the Community Property Act is profound. This creates an important presumption that the income and appreciation of Community Property Trust is also Community Property. A meaningful benefit to my clients is that Community Property allows the surviving spouse to receive a step up in basis at death. The capital gains benefit is good for Alaska residents. My office has interfaced with many hundreds of Alaskans over the years with Community Property Agreements or Community Property Trusts. This is an important technical fix to ensure that the planning intent of the Alaska Community Property Act is realized.

I thank you for your time and would be happy to answer any questions you may have.

Very truly yours,
Foley & Pearson, P.C.

A handwritten signature in blue ink, appearing to read 'William M. Pearson', is written over a horizontal blue line.

William M. Pearson
Counselor at Law

WMP/tj