

From: January 14-15, 2021 Board Meeting-Public Comment
To: Meeting Info
Subject: [External] January 14-15, 2021 Board Meeting-Public Comment
Date: Friday, January 15, 2021 9:04:09 AM

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Agenda Item(s):

M2a2. Guidance and Rulemaking

Comment:

There was a comment made by Mr. Moon yesterday to the effect that the existing (pre-Prop 19) law would be applied to trusts irrevocable prior to the implementation date of Prop 19 (implying that such trusts would be grandfathered). A member of the public spoke yesterday and raised the example of an existing Qualified Personal Residence Trust, and asked whether the current law or Prop 19 would apply to the transfer out of the trust on termination. A similar situation is presented by existing bypass or marital trusts that became irrevocable on the death of the first spouse to die (pre-2/16/2021), and which will distribute outright to children after the surviving spouse dies (presumably post-2/15/2021). I have assumed that Prop 19 would apply to those post-2/15/2021 trust terminations even though the trusts were irrevocable prior to 2/16/2021, but Mr. Moon's comment made wonder if the BOE is taking a different position. Can the BOE legal staff please clarify its position. This is a critical planning issue for many California property owners.