

I am writing to comment upon the proposed amendments to the above-referenced Rule. As written, individuals who transfer their interest in a jointly-owned property into individual trusts will be deemed to have changed the ownership of the property, even if the beneficial ownership remains the same. For instance, A and B own a property together as joint tenants. A transfers A's interest to "A, as Trustee of A's Living Trust". This severs the joint tenancy, since a trust cannot be a joint tenant; under the Rule, then, the property would be subject to a 50% reassessment. However, A is an original transferor and remains the beneficial transferee; the reassessment would unjustly penalize A for using a common estate-planning tool.

Kathleen Hunt
Attorney & Counsellor at Law