

NEWS

Members quoted in Foreign Trusts Article

Media

North Carolina Lawyers Weekly

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Moore & Van Allen Litigation Members Tom Myrick and Neil Bloomfield were quoted in a *North Carolina Lawyers Weekly* article published on March 1. The article, "Constitutionality of tax on 'foreign' trusts challenged," addresses a recent North Carolina Business Court decision on how foreign trusts are taxed in the state. The court denied the NC Department of Revenue's motion to dismiss plaintiff Kimberly Rice Kaestner Trust's claim that the state tax statute at issue is unconstitutional based on the Due Process Clause and Commerce Clause. Moore & Van Allen represents Kimberly Rice Kaestner Trust in the matter.

Bloomfield stated, "If the statute is upheld, it would be the first time in the country that a court has found that a state is entitled to tax a trust based solely on the location of its beneficiaries."

"If held to be constitutional, this statute presents serious challenges to out of state trusts that generally have no control over the location of their beneficiaries," said Myrick.