



WRNewswire

An AALU Washington Report

Friday, 29 September 2017

WRN 17.09.29.01

The AALU *WR Newswire* and *WR Marketplace* are published by AALU and Greenberg Traurig as part of the *Essential Wisdom Series*, the trusted source of actionable technical and marketplace knowledge for AALU members—the nation’s most advanced life insurance professionals.



In PLR 201735009, the IRS reviewed the generation-skipping transfer (“GST”) tax implications of a series of amendments by an independent trust committee to, and judicial construction of, an irrevocable “grandfathered” trust for GST tax purposes. The IRS determined that because the amendments did not postpone or suspend the vesting,

absolute ownership, or power of alienation of any beneficial interest beyond the perpetuities period from the date the trust was created, the amendments would not be treated as post-September 25, 1985 additions to the trust that would otherwise affect the trust's GST-exempt status. In addition, because the judicial construction of the trust involved a bona fide issue concerning the termination of the trust, the judicial construction does not subject the trust to application of GST tax.

[View PLR 201735009.](#)

DISCLAIMER

This information is intended solely for information and education and is not intended for use as legal or tax advice. Reference herein to any specific tax or other planning strategy, process, product or service does not constitute promotion, endorsement or recommendation by AALU. Persons should consult with their own legal or tax advisors for specific legal or tax advice.



Copyright © 2017 AALU, All rights reserved.

AALU Member

Our mailing address is:

AALU
11921 Freedom Drive
Suite 1100
Reston, VA 20190