

PUBLIC COMMENTS

HB 654

HOUSE COMMITTEE ON JUDICIARY & CIVIL JURISPRUDENCE

Hearing Date: March 9, 2021 10:00 AM

Robert Medina

Self / Attorney

Houston, TX

Vote no on this terrible idea. Extending the "life in being" to 300 years only serves to -

1. Create an aristocracy in Texas. This will allow only the wealthy to cement their family's long-term control over property like in medieval times.
2. Attract financial criminals. The majority of the world complies with the Common Reporting Standard (CRS), and exchanges information on the assets of each other's citizens kept in a member country's banks. Texas and the USA only gather information from foreign countries; they do not send information back. This is a green light for tax-dodgers, thieves, and money-launderers to hide their money here.
3. Risk collapsing the Texas and US economy - EXAMPLE: \$1 million is placed in trust. Assume it grows tax-free at 6% interest. After 200 years, the trust will be worth **\$136 Billion**. After 300 years, the trust will be worth ***\$50.4 Trillion***. That is more than twice the size of the US economy back in 2019!!
4. Increase everyone's taxes. Everyone will have to pay more, to make up for the tax shortfall caused by these dynastic trusts.
5. Create special "Trust Property" that will have extra protections built-in - protections that regular property owners will not have. If only a select few have access to the protections of special "Trust Property", what does that do to the idea of "equality under the law"?

Luis Medina

Self - Attorney

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I strongly oppose this bill and urge my representatives not to support HB 654. Should this bill become law, it would essentially create dynasty trusts that would lock fortunes away for generations--a modern day aristocracy. It would greatly benefit the wealthy at the expense of the majority of ordinary Texans. In the long run, this bill will result in an increase in taxes for most ordinary people in order to subsidize this benefit for the wealthiest Texans.