### Aspects to Consider

**Our directive, as per Uniformity notes:**

That the committee take up a project on trust taxation with a focus on trust residency and whether DING trusts are being used appropriately, and whether they're being used as a tool for tax avoidance, and whether states should consider legislation regarding DING trusts.

**Our first step, as per Uniformity notes:**

Develop pros and cons and weigh forward on the project

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**Question 1: Is this an area where uniformity is needed?**

Is this where state interests lie, and would the MTC be the appropriate vehicle for action?

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**Question 2: How would uniformity be achieved?**

1. Should this be an additional measure applicable only to non-grantor inter vivos trusts? Should it apply to everything?
2. Which residence factors?
   a. using the state’s law as the governing law of the trust;  
   b. administering the trust in the state;  
   c. having a grantor that is a resident of the state;  
   d. having a trustee that is a resident of the state;  
   e. having a beneficiary that is a resident of the state;  
   f. owning assets located in the state; or receiving state-source income
3. How many residence factors?
4. This will make multiple state residences more common. How to decide?
   a. Hierarchy?  
   b. Grantor + another factor?  
   c. Apportionment?  
      i. If so, which factors (remember, must be constitutionally sound)?  
5. Credits? Throwback?

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**Question 3: Is it a viable project?**