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KELLY, PRICE, PASSIDOMO & SIKET
CHARTERED

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BOARD CERTIFIED TAX LAWYER
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MASTER OF LAWS IN ESTATE PLANNING

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AND MASSACHUSETTS

November 22, 1995
Certified Mail 2387 839 773

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-11/29/95--01008--002
****175.00 ****175.00

Division of Corporations
Post Office Box 6327
Tallahassee, Florida 32314

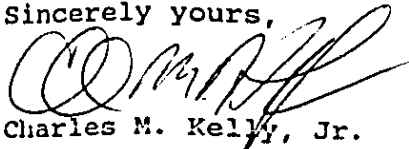
Re: Application for the Registration of a Trademark or
Servicemark - "FLINT"

Dear Sir/Madam:

Enclosed please find our check in the amount of \$175.00 for
filing the Application for the Registration of a Trademark or
Servicemark referenced above.

Should you have any questions, please do not hesitate to
contact me.

Sincerely yours,


Charles M. Kelly, Jr.

CMK/pjs

Enclosures

Name	L:CMK/Trademark
Availability	
Document	
Exhibit	
Journal	
Master	
Verifier	
Action/Intelligence	
W. P. Verifier	000

T96000000041

W 95000023402

FILED
95 DEC 22 PM 2:40
TALLAHASSEE, FLORIDA

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TELECOPIER COVER SHEET

Operator: Chuck Kelly

Date: 12/4/95

User No.:

Client/Matter No.:

Time: 1:08pm

Total Number of Pages Including Cover Sheet ____

PLEASE DELIVER TO:

Name: Jim Eastman

Firm: Baird

City: Naples, Florida

Telecopier Phone Number: 566-7817

Confirmation Number: 566-2300

Original Documents ____ will X will not follow by U.S. Mail.

Remarks: As we discussed. The Flint™ process to avoid Florida Intangibles Taxes is very streamlined and we should be able to produce the documents within 48 hours of our receipt of the completed Flint™ Trust Information Form. Call me with any questions.

From: Chuck Kelly

Extension: _____ Secretary's Extension: _____

The information contained in this facsimile message is attorney privileged and confidential information intended only for the use of the individual or entity named above. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution or copy of this communication is strictly prohibited.

**IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR OR
IF YOU HAVE ANY PROBLEMS RECEIVING THIS TELECOPY MESSAGE,
PLEASE CALL (941) 261-3453 IMMEDIATELY. THANK YOU.**



FLORIDA DEPARTMENT OF STATE
Sandra B. Mortham
Secretary of State

November 29, 1995

CHARLES M. KELLY, JR.
KELLY PRICE PASSIDOMO & SISKET
2640 GOLDEN GATE PARKWAY, SUITE 315
NAPLES, FL 33942-3203

SUBJECT: FLINT
Ref. Number: W95000023402

We have received your document for FLINT and your check(s) totaling \$175.00. However, the enclosed document has not been filed and is being returned for the following correction(s):

The specimens provided this office are not acceptable; we need three permanent specimens. We do not accept photocopies or camera ready copies. We do not accept specimens which have been altered or defaced in any manner. In order to register your service mark, we need specimens from which we can determine the services being rendered. We will accept brochures, newspaper, or magazine advertisements, or business cards. If business cards are used, we must be able to determine from the business card the services offered. The mere mark, address, city, etc., on the business card, brochure, or advertisement is not acceptable -- we must be able to look at the specimens provided and be able to determine the services being rendered. We need specimens for each class of registration.

You will only fall under 1 classification and that is class 36. Please delete class 16. You are rendering a tax service so therefore class 36 applies only.

Please return your document, along with a copy of this letter, within 60 days or your filing will be considered abandoned.

If you have any questions concerning the filing of your document, please call (904) 487-6913.

Diane Cushing
Corporate Specialist

Letter Number: 095A00052184

Florida Department of State, Jim Smith, Secretary of State

APPLICATION FOR THE REGISTRATION OF A TRADEMARK OR SERVICE MARK

PURSUANT TO CHAPTER 495, FLORIDA STATUTES

TO: Division of Corporations
Post Office Box 6327
Tallahassee, FL 32314

Name and address to whom acknowledgement
should be sent:

Charles M. Kelly, Jr.
2640 Golden Gate Parkway, Suite 315
Naples, Florida 33942-3203
(941) 261-3453
Applicant's phone number

PART I

094000000138

1. (a) Applicant's name: Kelly, Price, Passidom & Siket, Chartered
(b) Applicant's business address: 2640 Golden Gate Parkway, Suite 315
Naples, Florida 33942-3203

() individual (x) corporation of the State of Florida
() general partnership () limited partnership of the State of _____

2. (a) If the mark to be registered is a service mark, the services in connection with which the
mark is used:

Florida Intangible Tax Planning, Legal Services, Tax Planning, Services

- (b) If the mark to be registered is a trademark, the goods in connection with which the mark
is used:

Florida Intangible Tax Exempt Trust Agreements

- (c) The mode or manner in which the mark is used:

Legal documents and marketing material regarding the legal documents
(typed into the title of the trust and marketing materials)

- (d) The class(es) in which goods or services fall:

Goods: 16 paper goods and printed matter
Services: 36 Insurance and financial

PART II

1. Date first used by the applicant, predecessor, or a related company (must include month and year):

(a) Date first used anywhere: 12/17/92

(b) Date first used in Florida: 12/17/92

PART III

1. The mark to be registered is: (If logo/design is included, please give brief written description which must be 25 words or less.)

"FLINT" - ~~used in connection with services rendered which eliminate Florida-~~
~~Intangible Taxes.~~

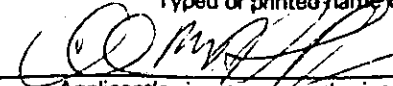
2. DISCLAIMER (if applicable)

NO CLAIM IS MADE TO THE EXCLUSIVE RIGHT TO USE THE TERM

" _____ " APART FROM
THE MARK AS SHOWN.

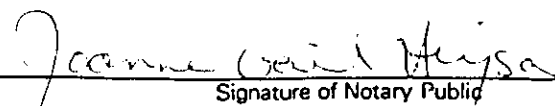
I, Charles M. Kelly, Jr., President, being sworn, depose and say that I am the owner and the applicant herein, or that I am authorized to sign on behalf of the owner and applicant herein, and no other person except a related company has the right to use such mark in Florida either in the identical form or in such near resemblance as to be likely to deceive or confuse or to be mistaken therefor. I make this affidavit and verification on my/the applicant's behalf. I further acknowledge that I have read the application and know the contents thereof and that the facts stated herein are true and correct.

Kelly, Price, Passidomo & Siket, Chartered
Typed or printed name of applicant

 Charles M. Kelly, Jr., President
Applicant's signature or authorized person's signature
(List name and title)

Subscribed and sworn to before me this 20th day of November, 19 95.

(Notary Seal)


Signature of Notary Public

My Commission Expires:



JOANNE GAIL HUJISA
OFFICIAL SEAL
My Comm. Expires 01-12-97
BONDED THROUGH
ALAN INSURANCE SERVICES
(30 254 124)

FEE: \$87.50 per class

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The Flint™ Trust
How it Works!

The Florida Constitution Article 7, section 5 prohibits the imposition of a tax upon the income earned by a resident of the state of Florida in excess of the credit to federal income taxes on account of such tax. At the present, no such federal income tax credit exists. Accordingly, the State of Florida is forced to base its intangible tax upon the ownership of principal, not the right to receive income.

There are basically two tests the State of Florida can apply to determine whether a trust that contains taxable intangible assets is required to file an intangible tax return. The tests are the "Beneficial Interest" test and the "Florida Situs Trust" test.

Florida Situs Trust test

Under the Florida Situs Trust test, a trust becomes a Florida-situs trust and the Trustees have a duty to file an Intangible Tax Return when:

1. The sole Trustee is a Florida resident,
2. Multiple Trustees are all Florida residents, or
3. Multiple Trustees, both resident and non-resident, and the Florida Trustee has management, control or custody of the trust assets.

There is no duty to file an intangible tax return imposed upon a Trustee who is a Florida resident, if the other Trustees (non-resident Trustees) have the management custody and control of the trust assets. The Florida Situs Trust test and the duty to file the intangible tax return does not take into consideration where the beneficiary or beneficiaries reside, it is a tax imposed on the trust via the connection of the Trustees to the State of Florida.

Beneficial Interest Test

Regardless of who the Trustees are and where they are located, the Beneficial Interest test requires an intangible tax return to be filed if a *Florida resident* has:

1. The right to income for life and
2. One of the following powers or rights:
 - a. Power to invade the trust principal;
 - b. Power to revoke the trust; or
 - c. Power of appointment that is a General Power of Appointment, as defined in the Internal Revenue Code § 2041(b)(1).

The Flint™ Trust

By establishing a trust that, by its terms, will not permit the trust to have a Trustee or Trustees that will be taxed under the *Florida Situs Trust test*¹, we are left with the task of designing a trust that will (1) not grant the Creator of the trust any rights in the trust that would cause inclusion under the *Beneficial Interest test*, (2) still provide the Creator with an income interest and a satisfactory degree of control over the assets of the trust without having the Creator of the trust being treated as the Beneficial Owner and (3) will not have any immediate or future adverse income, gift or estate tax consequences.

The critical fault with the Florida Intangible Tax statute is that the Florida Constitution prohibits the imposition of an income tax on individuals. Therefore, the tax can be imposed upon a Florida resident only if he or she can be deemed to own the principal of the trust. Under the Florida Statutes, requisite ownership interest is found when the Florida resident has a beneficial interest in the trust as outlined above in the *Beneficial Interest test*.

The desire to avoid the payment of Florida intangible taxes and the costs associated with the creation and administration of a *Flint™* trust and whether the trust or its beneficiaries are subject to the Florida intangible tax. The two methods of obtaining these rulings are (1) Requests for Technical Assistance Advisement and (2) Petitions for Declaratory Statements with the Division of Technical Assistance. These rulings are binding only with respect to the particular taxpayer applying for the ruling.

¹ This is accomplished by providing that all Trustees must be non-Florida residents and designating the law of a non-Florida state as controlling the trust administration.



CHARLES M. KELLY,
JR.

Mr. Kelly is a specialist in the areas of wills, trusts, estates, and taxation. Mr. Kelly is one of only twenty-three Florida attorneys who have been Board Certified in both the areas of Tax Law and Wills, Trusts and Estates Law. He is also a certified public accountant. He is a graduate of Florida Southern College (B.A.), the Cumberland School of Law (J.D.) and the University of Miami (LL.M. in Estate Planning). He is admitted to practice in Florida and before the U.S. Tax Court.

Mr. Kelly is a frequent lecturer on tax planning and estate planning. Mr. Kelly has been the chairman of the Estate Planning Council of Naples' Annual supplement to the Naples Daily News for the past eight years and has served as an editor to the bi-weekly estate planning article which appears in the Naples Daily News business section every other Friday. He also serves as the Treasurer of the Estate Planning Council of Naples.

S:FLINT\FLINT.WKS