

## CASEWORK - TRUSTS

1. Caldwell vs. Hill, 176 SE 383 (1934)  
U.S. adopted Common laws of England with the Constitution.
2. Article I, Section 10, U.S. Constitution (1787)  
Protects the sacred right of obligation of contract.
3. Article XIV, Bill of Rights  
Protects the sacred right to own property.
4. 16 AM JUR 2d, Section 365  
Property, anything of exchangeable value.
5. Eliot vs. Freeman, 220 U.S. 178 (1911)  
A trust is not dependent on statutory law.
6. Burnett vs. Smith, 240 SE 1007 (1922)  
A trust is a legal entity.
7. Schuman-Heink vs. Folsom, 159 NE 250 (1927)  
If it is free of control by Certificate Holders, then it is a Pure Trust.
8. Berry vs. McCourt, 204 NE 2d 235 (1965)  
A Pure Trust is a contractual relationship in Trust form.
9. Crocker vs. MacCloy, 649 US Supp 39 at 270  
A Pure Trust is not subject to legislative control.
10. Goldwater vs. Oltman, 292 P. 624 (1930)  
A business trust is lawful wherever contracts are lawful.
11. Morrissey vs. Commissioner, 296 U.S. 344 (1935)  
A trust is taxable as an association if a corporate structure is maintained.
12. Johnson vs. Lewis, 6 F. 27 (1881)  
Trustees are legal owners of property in trust (fiduciary).
13. Bisbee vs. Mackey, 102 NE 327 (1913)  
Succeeding trustees do take title.
14. Commissioner vs. Marshman, 279 F.2d 27 (1960)  
Fair Market Value determined by property received by taxpayer and not the FMV of property transferred by taxpayer to the trust.
15. Burnet vs. Logan, 283 U.S. 404 (1931)  
Certificates in exchange are not taxable until a realized gain has occurred.
16. Old Kent Bank and Trust vs. U.S., 430 F.2d 392 (1970)  
Estate tax is an excise tax on the transfer of property at death.