



Revocable Living Trusts

→ ESTABLISH A **MEANINGFUL PLAN** → CREATE A **LEGACY OF LOVE** → SECURE YOUR
FAMILY'S **PRIVACY** → **CONTROL** YOUR ASSET BASE → **AVOID PROBATE** COSTS & PUBLICITY
→ OPTIMIZE ESTATE **TAX PLANNING** → UTILIZE CODIFIED **ASSET PROTECTION** → PROTECT
AND **PROSPER** LOVED ONES → ACQUIRE PERSONAL **PEACE OF MIND**

Regardless of the estate value, a funded Revocable Living Trust should be the centerpiece of every family estate plan. A funded living trust will avoid probate of your estate and provide you with **COST SAVINGS, CONTROL OF PROPERTY, PRIVACY, and PEACE OF MIND.**

REALITY OF PROBATE

When a person dies with property held in his/her name alone, whether or not he/she has created a will, he/she becomes a decedent property owner. A decedent is obviously unable to transfer property to anyone. The main purpose of post-mortem probate is to convey title of assets (from the decedent property owner) to the decedent's executor, who then distributes those assets to the decedent's heirs. Such retitling and distribution of probate assets can only be done through court sanctioned protocol and procedures.

PROBLEMS WITH PROBATE

Formal probate often requires detailed paper work, public notices, multiple filings, hearings, formal appraisals, accountings, attorney fees, executor fees, court fees, lengthy holding periods and the like - all of which can incur a substantial amount of time and resources to carry out. In addition, family privacy is forfeited because probate is always a public matter. The end result could leave an unfavorable legacy in the hearts and minds of loved ones.

LIFETIME PROBATE

A conservatorship requires probate court to supervise and control the management and administration of an incapacitated person's assets. An aged or ill person may make irrational decisions or be unable to make any decisions at all. At that point, family members will be forced to have that loved one adjudicated as being legally

incapacitated. It begins with a court's declaration of incompetence, and then gets worse from there. Durable Powers of Attorney (DPAs) are often used to address the problem; but, unlike living trusts, DPAs are not contracts and therefore not "binding" on parties.

THE OPERATION OF A LIVING TRUST

In basic terms, a revocable living trust is an agreement between a trustor (also known as a creator/settlor/grantor) and a trustee where the trustor assigns title of assets to the trustee (usually himself) of the trust. During his lifetime, the trustor maintains complete control of all assets assigned to the trust. After trustor's decease, the trust is irrevocable (unchangeable) and the successor trustee takes fiduciary title to the trust assets, **WITHOUT PROBATE**, to manage or distribute to the beneficiaries per the terms of the trust.

It's that simple!



ADDITIONAL BENEFITS

- **Estate Tax Planning.** When structured properly, a living trust can help maximize the full use and value of a married person's estate tax credit to help reduce, or even eliminate, unnecessary payments to the tax man.
- **Maximum Estate Control.** A living trust allows one to exercise control over all of his/her assets – even after death. A large sum of money suddenly acquired by an unsophisticated child can be problematic. An incremental, age-based allocation formula can be incorporated into a trust to create important terms of control.
- **Asset Protection.** Any portion of a trust estate held IN TRUST for a beneficiary is normally protected from creditor claims that may be filed against that beneficiary (and in most cases) including divorce settlements.
- **Life Insurance Recipient.** A living trust can be an ideal receptacle of life insurance proceeds for benefiting minor children (grandchildren). It precludes the need of requiring the state from having to create and supervise a statutory trust to manage the life insurance proceeds for their benefit.
- **Utilize Inherited IRA Rules.** IRAs can still be payable to living trusts under the (2020) SECURE Act. Trustors can create a more secure future for their IRA beneficiaries using special terms for Inherited IRAs, which can be accomplished ONLY by having IRAs payable to the living trust and thus controlled by the terms of the trust.
- **Special Needs Children.** Parents with an incapacitated child currently receiving SSI benefits have special planning needs to consider. A properly drafted Special Needs Trust, contained within a living trust, can provide funds to benefit an incapacitated child - but not disqualify the child from future SSI benefits after the parents' decease.
- **No Joint-Survivorship Traps.** A living trust precludes the necessity to own property jointly with another person to avoid probate. If a parent changes property ownership to joint tenancy with right of survivorship (JTWROS) with a child, then the control over that property has been forfeited. Moreover, if the child gets sued, the parent could end up losing the property to a judgment. In addition, JTWROS ownership between spouses cannot utilize maximum estate tax and asset protection planning otherwise available with a trust.
- **Business Continuation Plans.** As applicable, a closely held business management structure should be integrated with a family trust. That will allow the trustee to be the manager of the family business (without court intrusion) when such business interests have been allocated to family members.
- **A Deterrent to Contestation.** A properly implemented and fully funded living trust will generally be much more resistant to any legal controversy that could come against the decedent's estate planning goals and objectives than otherwise with the use of a simple will.

NEXT UP:

Discover The eStatePlan[™] on the next page—an online tool designed to make estate planning more accessible, personal, and secure. →

– INTRODUCING –

The eStatePlan™

A Fully Digitized, 21st Century
Online Estate Planning System

Through the dynamics of our revolutionary The eStatePlan™ platform, you can create a personalized, customized, and fully funded Revocable Living Trust... in about an hour!

The eStatePlan's Dynamic Trust Portfolio is created online, electronically signed online, stored online, and can be modified anytime (24/7). Plus, you will have ongoing support from Surity Advisors, including your attorney of record...upon demand!

The eStatePlan™ is fully implemented and funded through secure electronic signature technology, which is recognized by both state and federal law. The important trust funding process is accomplished using electronic "Ledgers of Assignment" rather than by the inconvenient and time-consuming methods of retitling accounts and recording of deeds. You can try it before purchasing by using the Try Before You Buy (TBYB) module.

It's all here for you!



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