ESTATE PLANNING WITH REVOCABLE LIVING TRUSTS

AN EXTRAORDINARY OPPORTUNITY – EVEN FOR ORDINARY PEOPLE

Nothing is more important than your family. What is your vision for their future after you are gone? Will you leave them with a financial mess or a secure future? You have the power to reduce the cost, risk and stress that they will suffer if you have a well-designed estate plan.

Ok, your name is not Kennedy, Rockefeller, Buffett or Gates. So I guess the idea of using a Trust for your estate plan is not an option. After all, Trusts are just for rich people, right?

That's what most people believe. If you're convinced it's true, you may as well quit reading now and go do something more fun – but you'll be missing out on a great opportunity. You owe it to yourself and your family to learn more about Trusts before you decide.

This article is not a sales pitch to convince you that everyone needs a Trust. It is an effort to educate you on the truth about Trusts so that you can decide for yourself if it is an appropriate option for your family.

A Trust is the single most powerful and flexible estate planning solution available to put your vision in place for your family's future. It doesn't matter what your vision is or whether you're rich. A Trust can be as simple or as complex as you want. The point is that a Trust puts you in control.

A LOOK AT THE BIG PICTURE

Let's face it, nobody enjoys dealing with his or her estate plan. Besides, why should you care – you'll be dead, so it doesn't do you any good! You should care because your estate plan is not about you, it's about your family. Your estate plan is your opportunity to exercise control over the consequences that may occur if you become incompetent or pass away. It enables you to minimize the emotional and financial impact that your family will suffer.

First, you need to understand the objectives of estate planning. A good estate plan will give you complete control of everything while you are alive and well. It will allow you to provide for the care and support of your family and yourself if you become incompetent. When you pass away, your estate plan will contain your specific instructions for giving what you have to whom you want, when you want and in the way you want. If the plan works

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well, all of this should occur at the lowest possible overall cost for you and your family.

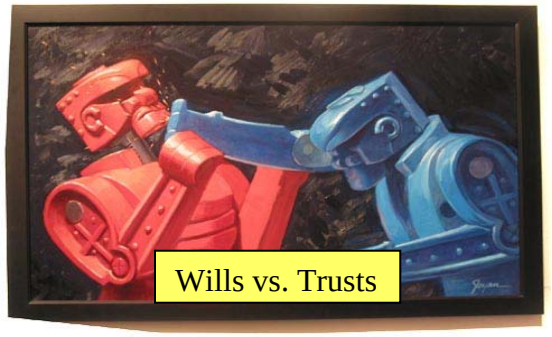
It all comes down to making good choices. When you have choices, you have an opportunity to gain control. Control results from understanding your options and making decisions about what *you* want to happen. While you can't "choose" not to die, you can choose the legal and financial impact that your family will experience because of your death.

Good planning requires that you begin with the end in mind. When you plan a vacation, do you pull out a map and just start highlighting a bunch of roads? Or do you first decide where you want to go, and then get out the map to determine the best way to get there? The legal documents that comprise your estate plan are just the roadmap for reaching your desired destination – they accomplish the end results that you want to achieve. You have to figure out the destination first.

The single most important consideration in every estate plan is your personal goals. That's where you start. Every family is unique, so you need to determine what's best for your family and how you want things to work when you are gone. Think about it. Without goals, how do you know what you are trying to accomplish with your estate plan?

There are no right or wrong personal goals. What is "right" is for *you* to decide, not some attorney, accountant or financial advisor. You won't find the answer on a personal financial statement or in the tax code. You'll only find it in your own heart and mind.

Estate planning is an educational process for you and your attorney. You need to teach the attorney about you, your family and your hopes, dreams and concerns for them. Using that information, the attorney will be able to teach you about the legal solutions available to address those issues. Then you can work together to devise a plan that works the way you want.



THE RIGHT TOOL FOR THE JOB

The eternal debate over "Wills versus Trusts" in estate planning misses the point entirely. Estate planning is not about the *documents* you use. It's about the *results* you achieve. A Will or a Trust is just a legal tool for accomplishing your goals. You have to use the right tool for the job.

Have you ever tried to pound a nail with a screwdriver, or to set a screw with a hammer? You'll never get the nail in with a screwdriver. You could probably beat a screw in with a hammer, but you'd create a mess and in the end it wouldn't work the way you intended. The problem isn't with the nail, screw, hammer or screwdriver. The problem is that you're not using the right tool for the job.

Don't let the legal tool – Will or Trust – define the results you want to achieve. The choice between a Will and a Trust depends on which one is the best for accomplishing your personal goals. There are huge differences between a Will and a Trust. Never let someone force-feed you one over the other without first understanding *how* it is going to accomplish your goals.

Let's compare the two briefly. A Will is only effective after you die. It doesn't do anything for you while you are alive or if you become incompetent. A Will is a ticket directly to probate because that's the only place you can administer it. Its sole purpose is to divvy up your stuff after you're gone, but the options for how that works are limited. A Will is a single-purpose tool, like a screwdriver. It can be perfect in the right situation, but horrible if your job requires more.

A Trust is a multi-purpose tool – the Swiss Army knife of estate planning. It is effective immediately when you sign it, and can work during your lifetime, if you become incompetent and for as long as you want after your death. It can eliminate the need to go through probate for anything. A Trust is very flexible and can provide nearly unlimited options for addressing your planning goals. It, too, can be a perfect tool in many cases, but it may be overkill in the simplest situations.

Unfortunately, misinformation, incomplete solutions and just plain bad advice are too common in the world of estate planning. Most estate planning professionals – attorneys, accountants and financial advisors – improperly view estate planning as a simple financial transaction. One look at your net worth and they can tell you exactly what you need (or what *they* think you should *want*). If you're rich enough to have estate tax liability, you get a Trust. If not, you get a Will.

This blind obsession with money and taxes is a sad reflection of our legal and financial community, and it is a disservice to estate planning clients. Planning with this single-minded focus is as effective as a doctor diagnosing every illness based solely on whether the patient has a fever. Dollars and taxes may be the easiest issues to address, but they are just a few among dozens of issues to consider. Yet, estate-planning professionals routinely pigeonhole you into one plan or the other with a simple glance at the bottom line of your personal financial statement.

Pigeonhole planning costs thousands of families unnecessary expense, grief and stress. It ignores all of your other important goals and deprives you of the knowledge you need to make informed decisions about what is best for your family.

Money and taxes are not "*results*." They are just potential roadblocks in mapping out your desired destination. Yes, you have to plan around them to get to where you want to go. But they are not the end goal – just part of the trip.

"Probate shortcuts" – joint and survivorship, payable-on-death and beneficiary designations – may also seem like an enticing and easy way around real planning. Sometimes they work well in the right situations, but not always. The problem is that most people don't know for sure when they are the right tools and when they are not. If you use them improperly, or in the wrong situations, you are likely to create unintended disasters.

In order to make wise estate planning decisions, you have to understand the options you have available. One option you need to know about is using a Trust in estate planning. It may not be the right tool for every job, but it is a great tool in more situations than you might think.

WHAT IS A TRUST

A Trust is an agreement that provides for the management and distribution of a person's assets. Trusts can be verbal agreements, but most are in writing. Since you control what the Trust says, you can tailor it to meet your specific goals. A Trust is like a book of instructions, and the options for what you include are almost limitless.

A "living" Trust is one that you create while you are alive. A "testamentary" Trust is one that only becomes effective after you die. Testamentary Trusts are most often inside a Will, which makes them subject to probate court administration. Testamentary Trusts are old-fashioned and not a good solution in modern estate planning.

In Ohio, a comprehensive set of statutes known as the Ohio Trust Code governs how Trusts work. Trusts are also subject to state and federal tax laws. Still, Trusts are extremely flexible contracts. It is not

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difficult to comply with these laws as long as you don't do something that violates public policy.

Trusts generally fall into two categories: revocable and irrevocable. A "Revocable" Trust is one that you can change or terminate any time you want. An "Irrevocable" Trust is one that you cannot change. They have different purposes.

A trust is an agreement for the management and distribution of assets.

"Book of Instructions"

Irrevocable Trusts are common in situations that require more advanced estate and gift tax planning. There are many different types of Irrevocable Trusts, each with a specific purpose. They're like sophisticated "power tools."

The most common use of an Irrevocable Trust is to hold large life insurance policies. You may have heard them of them – "Irrevocable Life Insurance Trusts." The purpose is to hold life insurance policies in a way that excludes the insurance proceeds from estate tax. This can save you thousands, sometimes millions, in estate tax liability.

Other types of Irrevocable Trusts provide ways to make large gifts without losing control of the assets. The gifts may be to individuals or even to charities. Gifting is often an important part of controlling or eliminating estate taxes for people with a lot of money.

Revocable Living Trusts are the most common type of Trust in normal estate planning. Again, "revocable" means you can change it, and "living" means that you create it while you are alive. When you die, however, a Revocable Trust becomes irrevocable.

This article focuses on Revocable Living Trusts. A lot of the information applies to Irrevocable Trusts, too. If you learn about Revocable Living Trusts first, it will be easier to understand Irrevocable Trusts later, if you ever need one. Many more people will benefit from Revocable Living Trusts, though, so we'll keep our focus on that subject. We will usually just refer to them as "Trusts" to keep things simple.

There is one important thing you need to understand about Revocable Living Trusts. They don't protect you against nursing home costs or help you qualify for Medicaid coverage. Wills don't either. They are not the right tools for that job. That's a whole different type of planning that is beyond the purpose of this article.

Now that you have a little background, let's look at Revocable Living Trusts in more detail.

THE ANATOMY OF A TRUST

Every Trust has three main players. The "Grantor" is the person who creates the Trust. The "Trustee" is the person who manages the Trust. A "Beneficiary" is the person who benefits from the Trust.

Grantors obviously have the most control over a Trust because they're the ones who decide what it says. They can keep a lot of control, too, by reserving the right to amend the Trust later if they change their mind about how they want it to work. If they decide they don't need the Trust anymore, they can terminate it. As long as they are alive, Grantors control the Trust.

Trustees manage the Trust the way the Trust tells them. They don't have a right to change or terminate the Trust – they just carry out the instructions in the Trust. Being a Trustee is an important responsibility because they have an obligation to act in the best interest of the Beneficiaries according to the terms of the Trust. Lawyers call this the Trustee's "fiduciary" responsibility – they have a duty to act with a high degree of good faith, trust and confidence for the benefit of the Beneficiaries.

Beneficiaries are the ones who enjoy the fruits of the Trust. After all, the Grantor created the Trust for their benefit. A Trust can have one Beneficiary or many. Usually, the Beneficiaries are people, but they can also be entities, like charities. The Beneficiary who gets the immediate benefits of the Trust is the

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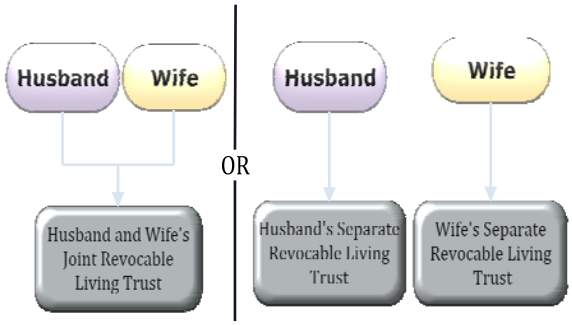
"Current" Beneficiary. A "Contingent" (or "Remainder") Beneficiary is one who only gets benefits after some event happens, like after a Current Beneficiary passes away.

Typically, in a Revocable Living Trust you are the initial Grantor, Trustee and Beneficiary all at once. You create the Trust, name yourself as Trustee and are the sole Beneficiary as long as you are living. No one else takes over as Trustee unless you become incompetent or die. No one else becomes a Beneficiary until after you die. Now that's total control!

The beauty of a Revocable Living Trust is that it is effective immediately when you sign it, so it starts working instantly. There is no waiting around to die like with a Will. Your Trust applies for the rest of your life. If you happen to become incompetent, the Trust continues for your benefit, although a "successor" Trustee will take over the management of the Trust while you are incapacitated. When you die, the Trust can continue for the benefit of your "Contingent" Beneficiaries (such as your spouse, children or grandchildren) for as long as you want it to last.

Sometimes you might hear about an "Individual" or "Separate" Trust. That is not a special kind of Trust; it just means there is only one Grantor. This is what a person who is not married would have. However, in Ohio married spouses can own property separately, so they can form Separate Trusts, too. A married couple also has the option to form a "Joint" Trust together. A Joint Trust is just one Trust with two Grantors.

It is usually best for a married couple to use Separate Trusts if they have children from different marriages, or if they want the flexibility to have different Trust terms to accomplish different goals. Separate Trusts can also give a married couple better creditor protection if one spouse works in a high-risk profession. Joint Trusts work best when the couple has a long, stable marriage, no high-risk jobs and all of their goals are identical.



It is important to understand that a Trust only controls assets that are actually in the Trust. So, somehow you have to get your assets into the Trust in order for it to work. We call this "funding" your Trust – putting your "funds" in it. There are three basic ways to "fund" your Trust.

The first way is to transfer the ownership of your assets to your Trust while you are alive. This is the best thing to do if you want to get the full advantage of your Trust. It can be a tedious task, but it is worthwhile.

The second way to fund your Trust is by beneficiary designations. Some assets, such as qualified retirement plans, annuities and some life insurance, cannot be in your Trust while you are alive or else there are some bad income tax consequences. In order to avoid that problem, you simply name your Trust as the beneficiary of those assets. It's not hard to do, but it does require caution to be sure you use the right wording on the beneficiary designation forms.

The final way to fund your Trust is by naming your Trust as the beneficiary in your Will. Your Will would simply contain a provision directing your executor to transfer your assets to your Trust after you die. The assets "pour-over" from your Will to your Trust – hence the name "Pour-Over Will." The downside of this funding method is that everything has to go through probate first.

Technically, the actual Trust itself will not "own" anything. Remember, the Trust is just a contract, so it doesn't have the legal capacity to "own" anything. Instead, when you fund your Trust you title the assets in the name of the Trustee. The Trustee does

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not own the assets personally, but rather in his or her "fiduciary capacity" on behalf of the Beneficiaries. Still, it is common and just easier to say that your assets are "in your Trust."

Why all the fuss over funding your Trust? Well, if one of your goals is to avoid probate, you must have all of your assets in your Trust correctly *before* you become incompetent or die. Every asset that you still have titled in your personal name when you die will have to go through probate in order to get into your Trust.

Here is the single most important rule you will ever learn about estate planning in general and probate in particular. *The success of your estate plan all comes down to how you title your assets.* No estate plan – Will or Trust – will work correctly unless you properly title all of your assets to coordinate with your specific plan. No exceptions.

Asset titling is a detailed and complex subject that is beyond scope of this article. Improper asset titling will screw-up even the best estate plan. Proper asset titling will make your estate plan work the way it should.

Imagine that setting up a Trust is like buying a new car. Would you ever buy a new car *without* the wheels and tires? Of course, you wouldn't. But your assets are like the wheels and tires of your Trust – they are what make the Trust useable. Without assets, the Trust doesn't do anything. So to get the maximum benefit from your Trust, get all of your assets into it as soon as you create it, not after you become incompetent or die.

Now, you may be concerned that all this Trust stuff will make your life miserable when it comes time to do your income taxes. Fortunately, that's not true. It's simple, actually.

As long as you are alive, your Trust uses your personal Social Security Number. And, you continue to report all of your income tax on a Form 1040. No new taxpayer identification number or separate tax returns are necessary. Life continues just as it would if you didn't have a Trust.

After you die, the successor Trustee of your Trust will need to get a new taxpayer identification number and file a separate income tax return (a Form 1041 Fiduciary Income Tax Return). That makes sense, if you think about it, because when you die your Social Security Number is no longer valid and dead people don't file income tax returns on a Form 1040.

Your Trust will only pay income tax after your death on the income that the Trustee *keeps* in the Trust. If the Trust says to distribute all of the income to the Beneficiaries, then the Beneficiaries will pay the income tax. In that case, there is no difference than when you were alive, except a little cost for preparing the Form 1041 each year.

That's enough about the general structure of Trusts. Now let's take a more in-depth look at Trustees and Beneficiaries.

WHOM DO YOU TRUST?

You already know from the previous section that the Trustee's job is to manage the Trust for the benefit of the Beneficiaries. The Trust document contains the instructions that the Trustee must follow, and gives the Trustee a wide range of powers to do its job. Being a Trustee is a big responsibility.

As the title implies, your Trustee better be someone you can trust. After all, you will be counting on them to do what you intend to accomplish with your Trust. You don't want a Trustee who is going to do a sloppy job and squander all of the Trust assets. That wouldn't be good for the Trust Beneficiaries.

Normally, you are the initial Trustee of your Trust. If you are married, you and your spouse can be the initial Trustees together. But if you become incompetent or pass away, you need to have some backups ready to step in as Trustee.

You have two broad choices regarding your Trustee selection. One option is to pick a real, live person. The other option is to use a "corporate" Trustee – a business that has the legal authority to serve as a Trustee. Each choice has its own pros and cons.

Real people have some distinct advantages as Trustees. The main benefit is that if you pick someone who is familiar with you, they are more likely to understand your goals and objectives. They also probably know your Trust Beneficiaries and will be compassionate and personally committed to acting in their best interest. A real person is the closest substitute you can get for yourself.

The main drawback is that most individuals don't have technical skill and experience in being a Trustee. They can make up for that by hiring professional advisors, such as an attorney, accountant and financial advisor, to provide them with guidance in their Trustee duties. That will cost the Trust some money. But typically an individual Trustee will just reduce their Trustee fee by the same amount to balance things out.

Ohio law allows you to pick any competent adult residing in the state to be Trustee of your Trust. You can also use an individual who lives outside of Ohio if that person is a relative, either by blood or marriage. The only way you can use a non-relative who does not live in Ohio is if the state in which they live has a special law permitting it.

Corporate Trustees, on the other hand, are professionals at managing Trusts. The most common corporate Trustees are trust departments of larger banks and brokerage firms, or specialized trust companies. They must have legal authority to provide trust services in order to be a Trustee in Ohio. Corporate Trustees are usually full service operations, doing all of the investing, financial and tax work in-house. A perfect situation for using a corporate Trustee is if you anticipate difficulties or disputes among the Trust Beneficiaries.

There are two main downsides to corporate Trustees. First, they are in the business of making money. While they do a good job, they are usually not as compassionate and sensitive to the needs of the Beneficiaries. Second, corporate Trustee fees may be higher than an individual would charge. It is always important to examine that issue before you settle on your Trustees.

You don't have to pick just one Trustee. You can have two or more Trustees serve together at the same time as Co-Trustees. The Co-Trustees can be individuals, corporate Trustees or a combination of both. Pairing an individual and corporate Trustee is a way to benefit from their respective strengths – compassion and expertise – in one package.

Sometimes it may even be good to have a Beneficiary serve as Co-Trustee with a more experienced individual or a corporate Trustee. It can provide the Beneficiary with an opportunity to have some input over his or her Trust Share without having free rein over the assets. This may help a younger Beneficiary gain some financial maturity and experience before getting their hands on a bunch of cash.

Be sure you have a good reason to have Co-Trustees, though. Naming two of your kids just because you don't want to hurt anyone's feelings is not always a good idea. It can lead to a lot of friction and make the Trust more difficult to administer. If

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your family is on the dysfunctional side, you may be better off having a completely independent Trustee instead of forcing the kids to work together.

If you really want to get creative, you can assign different roles to Co-Trustees. Perhaps one would be responsible for all of the administrative functions, like investments, accounting and taxes. The other Co-Trustee may be in charge of determining when distributions to Beneficiaries are appropriate. Splitting the duties can balance some of the strengths and weaknesses that individual and corporate Trustees have.

The final consideration regarding whom you select as Trustee, and whether to use Co-Trustees, is how long the Trust will last after you are gone. If your Trust will wrap-up and distribute everything to the Beneficiaries relatively quickly, it may not be as important to have Co-Trustees and delegate tasks between them. However, Trustee selection and defining the roles of Trustees requires more careful consideration if your Trust is going to last for years into the future.

Another idea to consider for Trusts that will continue for a long term is to appoint a "Trust Advisor" in addition to the Trustee. A Trust Advisor is an independent person that you designate to be on "standby" if a need arises that the Trustees or Beneficiaries are not able to handle. For example, you can give a Trust Advisor the right to make technical amendments to administrative parts of your Trust after you are gone if needed to comply with changes in the law. A Trust Advisor can be a powerful bonus feature in your Trust.

It is always important to name "backup" Trustees in your Trust. You can designate backup Trust Advisors, too. There may come a time when your first choice is not able to serve as Trustee or Trust Advisor, such as if they become incompetent or die. It is wise to have others waiting on the bench to take their place. You can never have too many backups.

As a final word on Trustees, here's some advice about compensation. Trustees deserve payment for their services, so don't expect anyone to do it for free. It's a lot of time, effort and responsibility. A corporate Trustee will never work for free, and most will not even share their compensation with Co-Trustees. You can include provisions in your Trust as to what you believe is a reasonable charge, but don't make it zero. We abolished slavery long ago.

The role of Trustee is a powerful position. But it also carries a great deal of responsibility. You need to give Trustee selection careful consideration when designing a Trust.

WHOM DO YOU CARE ABOUT?

As you probably know, if you don't have any estate plan – Will or Trust – Ohio law dictates who inherits your estate when you die. Why would anyone in their right mind ever let the state make such an important decision for them?

At least with a Will you get to name who your Beneficiaries are going to be. You can pick anyone you want, regardless of what the state's "default" law says. But if a close relative feels that you shouldn't have left them out, they can file a legal action in probate court to contest your Will. And a surviving spouse who feels slighted can demand a specific percentage no matter what your Will says.

In a Revocable Living Trust, the Grantor has complete freedom to choose the Beneficiaries, too. A disgruntled relative can file a lawsuit to contest the validity of your Trust, but it's likely to be a difficult case for them. They might win if they prove you that were completely whacko when you signed it, or that someone had a gun to your head and forced you to sign. No contract is valid under those circumstances. At least with a Trust, there are no probate procedures for a Beneficiary to automatically demand a bigger share.

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As we mentioned earlier, the Grantor is usually the original Beneficiary in a Revocable Living Trust. In a Joint Trust, both spouses are the typically the original Beneficiaries. And it stays that way as long as you are alive, even if you become incompetent. But you won't live forever and you can't take it with you.

Just as you have backup Trustees, your Trust needs to have backup Beneficiaries. The backup ("Contingent") Beneficiaries become the Current Beneficiaries when something happens that triggers a change. Most likely, that is the death of the prior Current Beneficiary. Since you control exactly what the Trust says, however, you can adjust the order and timing of Trust Beneficiaries any way you want to meet your personal goals.

In a traditional family setting, the husband and wife are the only Beneficiaries as long as they are living. When one spouse dies, the surviving spouse becomes the sole Beneficiary. So, like a Will, nobody else gets anything until both spouses are gone. Unlike a Will, however, a Trust can provide a way to manage the family's finances even if both spouses become mentally incompetent.

Normally, the couple's kids are the Contingent Beneficiaries in the Trust, and become the Current Beneficiaries when both parents pass away. The Trust should also address what happens to a child's share if the child predeceases the parents, or dies before receiving a final distribution from the Trust. Does that child's share go to his or her children, or to the child's living siblings? What about stepchildren?

What if all of your children, grandchildren and other Contingent Beneficiaries are gone? Who gets the remaining Trust assets? That's probably a remote possibility, but it could happen. You should address that issue in the Trust to be sure things work the way you want.

As you can see, designing a good Trust involves planning for a lot of different contingencies. You never know for sure what's going to happen. It's best to think things through and address as many possible situations as you can in your Trust. If they happen, you will have successfully controlled the outcome the way you want. If they don't happen, then you wasted a few words on the paper, but no one got hurt.

There is no requirement that all of your children have to be the Contingent Beneficiaries in your Trust. Maybe you feel that you have already done enough for one or more of them during your lifetime. Maybe they are all independently wealthy and successful already and they don't need your stuff. Perhaps deep down you would rather skip your kids and provide benefits directly to your grandkids. Then again, maybe you don't even have kids and grandkids.

A Trust gives you the flexibility to mix and match Beneficiaries any way you want. You can easily make special bequests of money or particular assets to as many people as you want. You can include special provisions for continuing the care of your elderly parents if they might need your help after you're gone. Instead of disinheriting a potential Beneficiary with special needs (mental or physical disabilities), you can tailor provisions in your Trust to enhance the quality of the Beneficiary's life without disqualifying him or her from government benefits.

A lot of people also want to do something for their Church or their favorite charities. You can do that in a Will, too, if you want to make an outright distribution. A Trust allows you to be more creative in how you provide for religious or charitable Beneficiaries.

The law does not give anyone an absolute, binding right to receive an inheritance, except when you fail to do any estate planning. A Trust gives you

virtually unlimited control over whom you want as Beneficiaries of your estate. It's your choice and no one else can do much about it.

Now that we've covered "who" gets your stuff, let's explore "when" and "how" you want them to get it.

SPREADING THE WEALTH

Here's where there is a *huge* difference between a Will and a Trust. Going back to our earlier discussion on the objectives of estate planning, a Will and a Trust both give you the power to "*give what you have to whom you want*" when you die. Where they differ is in distributing your estate "*when you want and in the way you want*."

A Will gives you only one choice in distributing assets to your Beneficiaries. At the end of probating your estate, the Beneficiaries get their inheritance outright in a big lump sum. At that point, it is theirs to do with as they please. Some statistics indicate that the average inheritance lasts about 18 months before it is gone.

There's nothing wrong with an outright, lump sum distribution, as long as that meets your personal goals for your Beneficiaries. Responsible adult Beneficiaries may be able to handle a big chunk of cash without doing something stupid with it. Or maybe you truly don't care if the Beneficiaries squander everything. That's not a sarcastic comment. Some people are not concerned about what their Beneficiaries do with their inheritance, and that's ok.

Some attorneys may argue that you can spread distributions out in a Will by including a Testamentary Trust in it. True, but we've already covered that ground. A Testamentary Trust is an old-fashioned, expensive estate planning technique because it remains subject to probate court jurisdiction. That means you have to file accountings with the court and comply with other probate requirements for as long as the Testamentary Trust lasts. The extra time, expense and frustration is unnecessary.

A Revocable Living Trust not only lets you decide who gets what, but also gives you maximum flexibility to decide when and how they get it. Plus, you don't have to put your Beneficiaries through the extra time, expense and frustration of probate. This flexibility gives you an opportunity to address specific goals that are unique to your own family and provides almost unlimited options on how you structure a Beneficiary's inheritance. You don't have to do what everyone else does. You can do what's right for you.

Most people desire to be fair to their Beneficiaries, but not all Beneficiaries the same. "Fair" doesn't always have to mean "equal." It also doesn't have to mean they get things the same way or at the same time. "Fairness" is in the eye of the beholder, and that is the Grantor of the Trust.

The rest of this section covers just a sampling of common distribution alternatives for Contingent Beneficiaries after you pass away. If you are married, there are many different ways to design Trust benefits for a surviving spouse, too. For now, however, let's just focus on what options are available after both spouses pass away.

Outright Distributions

You can make outright distributions to Beneficiaries in a Revocable Living Trust just as easily as you can in a Will. The advantage of doing so in a Trust is that you can avoid probate proceedings if you do the Trust correctly. That can

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put more money in the Beneficiaries' pockets instead of in the probate lawyer's pocket.

A better way of doing this, however, is to structure each Beneficiary's Trust Share so that the Beneficiary has an unlimited right to withdraw income or principal whenever they want. This gives the Beneficiary control over when is the best time to take some or all of the inheritance. Rather than force it on a Beneficiary at what may be a bad time, you can instead give the Beneficiary the power to decide when the right time to withdraw is.

Common Trust Share

When some or all of the Beneficiaries are not yet adults, it may be a good idea to hold the Trust assets in a single "Common" Trust Share for a while. Some attorneys call this a "Pot" Trust because you keep everything in one "pot" for the mutual benefit of all of the Beneficiaries, at least temporarily. The idea is to get the youngest Beneficiary up to an age at which you believe he or she should be self-sufficient before you split the "pot" into Separate Trust Shares for each Beneficiary. Why would you do that?

Let's assume that on your death you have three kids, ages 24, 18 and 12. If your Trust splits into three shares immediately, the 24-year-old makes out like a bandit if she is already through college and has a job. You already paid for her school. But the other two have to pay for college out of their own Separate Trust Share. The poor 12-year-old even has to pay for his own support out of his share just to make it to college age. That's probably not how things would have worked if you were still alive.

Now, look at what would happen if you kept everything in a Common Trust Share until the youngest was, say, 23 (or whatever age you think he should be out of college and working). The Trustee pays for the support and education of each child from the Common Trust Share according to the reasonable needs of each child (which may not be exactly equal at this point). When the youngest hits age 23, then whatever remains in the Common Trust Share splits into three equal Separate Shares. All three kids got an even shot at growing up without being penalized financially for being the youngest. That is probably a better reflection of what you would have done if you were living.

You don't have to penalize the oldest Beneficiary until the youngest grows up, either. You can permit the Trustee to make advances from the Common Share for things like a wedding, buying a house or maybe starting a business. The advances can be on an "as-needed" basis, and don't have to be equal. When the Trust splits into Separate Shares, the Trustee can adjust the Shares to consider advances – those who got advances earlier get a little less later.

Staggered Over Ages

Are you concerned that the Beneficiaries may not be quite as financially mature as they should be when the Trust splits into Separate Shares? A big chunk of cash at the wrong age could do more harm than good.

You can let the Beneficiaries get their feet wet with their inheritance by spreading their Trust distributions out over a series of ages. Consider giving them a small percentage first, then a larger percentage a few years later, and so forth. If they squander the first distribution, hopefully they will learn from the experience and be more responsible when the next distribution comes. Between large distributions, you can authorize the Trustee to make smaller distributions for the Beneficiary's health, education, maintenance and support.

You can also help the Beneficiaries learn by letting them be a Co-Trustee of their Trust Share. Working with an older, more experienced Co-Trustee may give them the guidance they need to learn the ropes. It's like having a financial mentor when you're not there to fill that role. As Co-Trustee, the Beneficiary will have a sense of responsibility and control over his or her Trust Share, too.

Staggered Over Years

An alternative to staggering distributions at particular ages is to measure the distribution periods from the date that the Trust splits into Separate Shares. It's the same principle as making distributions at particular ages. Instead of saying the Beneficiary gets "x" percent at age 25, you say they get the first distribution of "x" percent upon creation of the Separate Share, "y" percent five years later, and so forth. The Beneficiary's age doesn't matter.

This is a good option if your Beneficiaries have decent jobs and you want them to rely on their own efforts for support instead of their inheritance. Let them hold some back until later, such as for retirement. It is also a good alternative if you have adult children who you fear will never be good with money, no matter what age they are.

Milestone Distributions

You can also encourage particular achievements that may be important to you. Some people refer to these as "Incentive Trusts," but it's really just a special distribution structure within your Trust. When your Beneficiaries reach certain milestones in their life, you can reward them with a nice Trust distribution. If they don't reach those milestones, you don't have to disinherit them, but maybe they just have to wait a little longer.

For example, let's say that you want your kids to finish college. Graduation from college may trigger a nice chunk of cash from their Separate Trust Share as a reward. A graduate degree may result in another nice distribution. If they don't go to college, they may have to wait until a later age until they get those distributions.

You may have other milestones that you want to encourage. Use your imagination, and you can probably incorporate it into a Trust.

Values Promotion

Many families have certain values that are important to them. You can structure Trust distributions to your Beneficiaries as a way to promote those values. In this way, you are using the inheritance to instill your important values in the Beneficiaries. Or, you can flip it around and structure the Trust Shares to provide a disincentive for bad conduct.

The values you can promote are limitless. It may be having a long, stable marriage, or being a stay-at-home parent to their children. Maybe it's active involvement in Church, or promoting charitable activities or volunteer work for a worthy cause. Every family is unique in what is important to them.

Again, you don't have to disinherit a Beneficiary if they don't follow your values. You just alter the distribution pattern based upon the Beneficiary's conduct.

Multi-Generational Planning

If you really want to leave a powerful inheritance, consider Multi-Generational Trust Shares. You will hear a million different names for this: "Dynasty Trusts," "Generation Skipping Trusts," "Heritage Trusts," and so forth. While they can be separate standalone Trusts for complex estate tax planning, you can also use them as Separate Trust Shares for your Beneficiaries in your own Revocable

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Living Trust – even if you don't currently have estate tax problems.

A Multi-Generational Trust Share is essentially a protective fund that the Beneficiary can use and enjoy without ever actually owning it. If they use it wisely, it will continue to grow and grow. Since the Beneficiary does not actually *own* it personally, however, creditors of the Beneficiary can't take it, an ex-spouse won't get any of it in a divorce, it never goes through probate and the IRS won't be able to steal half of it when the Beneficiary dies. "Multi-Generational" just means that whatever remains when the Beneficiary dies automatically passes down from generation to generation – fully protected – until finally there is nothing left.

Here's the important thing to understand. You don't measure true "wealth" by what you *own*, but by what you *control*. If you have the exclusive right to use and enjoy something, who cares if you don't actually own it? It's still essentially yours. But all the bad things in life – lawsuit judgments, divorce, probate, estate tax – only touch what you *own* personally. In order to avoid the bad stuff, don't own much.

Some people frown on multi-generational planning as being "mean" to your Beneficiaries. Who would ever want to hold everything back from them, or try to control them from the grave? In reality, as a Beneficiary it is the ultimate way to inherit. You get to have your cake and eat it, too! And no one else can touch your cake, either.

Planning with Special Assets

Some assets you own may require special attention. Qualified retirement plans (401k plans, an IRA) are strange little creatures – great to have while you are alive, but difficult to deal with after you die. The combined effect of federal and state estate tax and income tax can eat them alive, leaving your Beneficiaries with little left.

There are ways to lessen the impact through your Trust if you do it right. For large retirement plans, it is often better to use a separate special Trust for these assets. The goal is to "stretch-out" the retirement plan distributions over the Beneficiaries' lifetimes to defer the income tax liability. You can essentially turn your retirement plan into a retirement plan for your Beneficiaries.

This is a complex subject. For our purposes here, just remember that you need to pay close attention to how you integrate your retirement plans with your estate plan. A little planning can save your Beneficiaries a lot of money.

Tangible Personal Property

It's common for people to have items of tangible personal property that they want to give to particular Beneficiaries. The items may be valuable, or perhaps they are family heirlooms with sentimental value. Putting a name on masking tape on the back of a picture doesn't work, at least if you want your wishes to be enforceable.

You can make special bequests of your "stuff" in a Will and it will be enforceable in probate court. The problem is if you change your mind, you have to change your Will.

Special bequests are easier to make through a Trust. Since a Trust is just a contract, you can attach an addendum to it specifying who gets what jewelry, heirlooms and other special trinkets you have. All you have to do is include a provision in your Trust to direct the Trustee to pass those things out according to the list you create. If you change your mind, tear up the old list and make a new one. You don't need a lawyer to do that.

Charitable Bequests

You can also get creative with charitable bequests in a Trust. Sure, you can make lump sum charitable gifts in a Trust just like in a Will. But in a Trust, you can also defer the charitable bequest while one or more Beneficiaries use the income stream. Or you can do it backwards by giving the charity an income stream for a while and then let the Beneficiaries have the principal later. Charitable planning does not have to be an all or nothing proposition in a Trust.

That's enough about distribution options for now. Let's look at some other benefits you can pack in your Trust.

POWER PLANNING WITH TRUSTS

Creating a Trust is a lot like packing to go on vacation, except unfortunately you won't be coming back. Sadly, most people spend far more time and money planning and taking a vacation than they do on estate planning. You can't take anything with you when you die, so you might as well do a good job packing for your Beneficiaries.

Seriously, think of estate planning as packing a suitcase. First, you decide *what* you want to pack – what you want to do for your Beneficiaries. Then you determine what *type* of luggage you need to fit it all in (a Will or a Trust). You can't fit a wardrobe in a carry-on and, likewise, you can't pack a lot of planning into a Will. A Trust is like an expandable suitcase, so you can pack in as much as you want. Yes, you might have to pay a little extra for the bigger luggage, but when you reach your destination, you will have it if you need it.

Trust planning allows you to throw some extra "sweaters" in your suitcase, just in case you need them. Pack as many or as few as you want. It's the best way to plan for contingencies that may happen. If they don't, it's no big deal. But if they do, you'll be glad you thought ahead and prepared for the worst.

This is where Trust planning really gets powerful. Here is a sampling of ideas you might want to consider.

Probate Avoidance

A properly planned Revocable Living Trust will allow you to completely escape probate. The way you do that is to make certain that you correctly title all of your assets to your Trust while you are alive. Probate only controls what you own in your personal name. If all of your assets are in your Trust, there is nothing to go through probate.

Probate avoidance with your Trust applies if you become mentally incompetent or when you pass away. You escape the complexity of probate procedures and handle things on your own terms through your Trust. Everything remains private, instead of being a public record in probate. And your Trustee won't have to get permission from a probate judge to do anything.

Settlement Costs

Cost savings is another big factor. Trust administration is usually much faster and less expensive than probate court administration. The time savings reduces the stress on your family. The cost savings keeps more money in your Beneficiaries' pockets, where it should be.

Even in a modest $500,000.00 estate, it can cost *twice* as much in legal fees to settle your estate in probate compared to a Trust. When you compare the cost of a probate guardianship if you become incompetent with the cost to handle your affairs through a Trust, the difference is off the charts. In a vast majority of cases, the savings in settlement costs alone far outweighs the difference in the initial planning cost between a Will and a Trust.

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Blended Families

It seems like traditional one-marriage families are becoming as rare as polar bears on a melting icecap. The "blended family" with kids from different marriages is common today. Estate planning with a Will gives the blended family two choices. You can give everything outright to your spouse and pray that he or she will actually give something to your kids later. Or, you can skip the spouse and give it directly to your kids.

Wouldn't it be better to provide for the spouse *and* your kids and be sure it will work? A Trust gives you the flexibility to do that. You can provide for the spouse in the Trust for the rest of his or her life, and then have everything that remains go to your kids. And the surviving spouse can't even elect to take a bigger share, as they can do in probate if you have a Will. This gives you the flexibility to decide what happens with your assets and avoids "accidents" that may send your stuff to someone else's kids.

Minor Beneficiaries

There is only one thing more frustrating than having to ask a probate judge for permission to spend some of little Johnnie's inheritance on new school clothes – and that's having to pay a lawyer to ask! But that's exactly what you get if you leave your estate outright to a minor child, either through your Will or by not having a Will at all. It also happens if you name your minor children as Beneficiaries on your life insurance or retirement plans. Then little Johnnie gets *everything* in a lump sum check for his 18th birthday! You can imagine how long that will last.

You can do a little better by designating a "custodian" to watch over the money under the Uniform Transfers to Minors Act. That's a special statute that can substitute for probate guardianship of a minor's assets. Even that is somewhat restrictive. And little Johnnie still gets the big check at age 21, whether he's financially responsible or not.

A Trust lets you write the rules for when and how your young children or other minor Beneficiaries will get their money. Your Trustee – someone you picked because you trust them – doesn't have to waste time or money getting permission from anyone to do anything. Your Trust gives the Trustee far more power than a guardian or a custodian. Best of all, you get to decide when the Beneficiaries start getting larger pieces of their pie, and it doesn't have to be at 18 or 21.

Disabled or Elderly Beneficiaries

Let's look at the other side of the coin. What if you have elderly parents, or a mentally or physically disabled child, who depend on you for support? If you die, are you going to give everything directly to them and disqualify them from Medicaid or other government benefits to which they may be entitled? Or are you going to disinherit them so they don't lose their benefits?

With a Trust, you don't have to elect either option. There are ways to structure their Trust Share so that they remain eligible for government assistance, but your Trustee can use their share to enhance the quality of their life beyond basic benefits. You can even allow the Trustee to hire a professional care manager for the Beneficiary to assure the best possible outcome.

Distribution Control

We already covered many of the options you have for structuring Trust distributions to your

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Beneficiaries. You can provide financial oversight for irresponsible adult Beneficiaries, or guard against their addictive behaviors. You can reward milestone accomplishments and promote values that are important to you. You can even create protective shares that benefit multiple generations.

Since you write the rules in your Trust, you have discretion to mix and match different distribution alternatives. You can custom tailor the distribution method for each Beneficiary to address his or her unique circumstances. You don't have to disinherit the black sheep of the family, either. Instead, you may be able to keep them in the fold with a Separate Share of the Trust that reflects your goals and concerns for them.

Trusts also provide an excellent way to have contingency plans for unexpected events that may happen after you are gone. You can switch how a Trust Share works if something bad happens to a Beneficiary, such as becoming mentally incompetent. If a Beneficiary passes away before he or she gets a final distribution, you can direct where the rest of that Trust Share goes, like keeping it in your "bloodline" instead of going to in-laws you don't particularly care for or step-grandchildren that you don't know.

Divorce Protection

Sadly enough, the possibility that a Beneficiary may get divorced after you die is relatively high. Having a Trust is not going to prevent a divorce. But it may affect how things work out for your Beneficiary after the divorce.

If you give a Beneficiary their inheritance outright, chances are they will commingle it with other assets they own jointly with their spouse. That instantly makes the inheritance subject to property division in a later divorce. Half of your generous gift now goes to the despicable schmuck who had the nerve to divorce your intended Beneficiary. That's probably not what you had planned.

You can structure a Trust Share for the Beneficiary to make sure the inheritance is not part of the divorce. If the inheritance stays in a Trust Share for your Beneficiary, it is now for his or her exclusive benefit and is not a commingled asset. When the divorce is over, your Beneficiary still has the full inheritance. That can be a nice financial safety net and can provide a much-needed cushion for the Beneficiary to get back on track.

Creditor Protection

We live in a pretty "sue-happy" society. The odds of recovering money in a lawsuit are far better than the odds of winning the lottery. Add an "M.D." or "J.D." to the end of a Beneficiary's name, or a DUI to their driving record, and the target on their back gets a whole lot bigger!

Liability insurance is always the first and most important line of defense. But it may not cover everything, which makes the pile of money you gave the Beneficiary a tempting treat for a creditor holding a judgment. You can structure a Beneficiary's Trust Share to keep it out of the reach of creditors while at the same time making it available for the Beneficiary's use and enjoyment. That's a nice shield to have in place, particularly for Beneficiaries in high-risk professions.

Remarriage Protection

If you're married right now and you die, do you think your spouse will remarry? Statistically, the chances are good that they will (regardless of what he or she may say at this moment). There's nothing wrong with that. You want them to be happy.

But do you want your stuff going to the new spouse? Or would you prefer that it go to the Beneficiaries that are important to you? If you give

everything outright to your spouse in a simple Will, you don't have any control over what happens after you're gone. Your spouse may not even intentionally do anything to screw-up your plans. Most bad results in estate planning happen by mistake.

It's not difficult in a Trust to provide financially for your surviving spouse for the rest of his or her life, regardless of whether they remarry. It's also not difficult to include protections to make sure that nothing mistakenly goes to the new spouse. At the same time, you can protect your spouse in case the new marriage doesn't work out. Everybody wins except the new spouse, whom you probably did not set out to benefit anyway.

Business Interests

If you have your own business, or a family farm or significant real estate investments, estate planning can get tricky. The issue is more complicated if some, but not all, of your kids are actively involved in the business, farm or investments with you.

Trust planning can make that task easier. Again, since you write the rules, you can be fair to all the kids while protecting the interest of those who have helped you build the venture. It's a balancing act, and a full explanation of the possible solutions is not appropriate for this article. Suffice it to say, most situations like this require Trust planning in order to be successful.

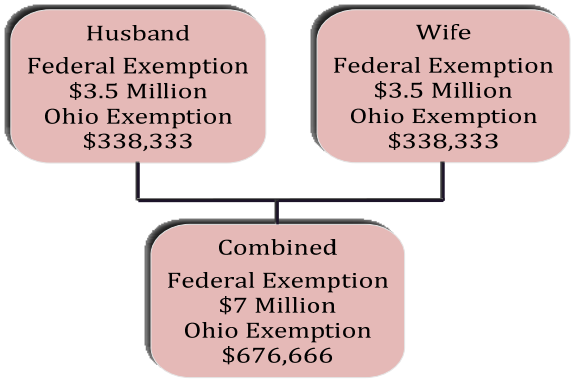
Estate Tax Planning

Most people don't seem very concerned about federal estate taxes any more since they don't kick in unless you have over $3.5 million. What many people – even many attorneys, accountants and financial advisors – fail to realize, however, is that Ohio has its own estate tax that can take a bite out of much smaller estates. Ohio's estate tax applies to anything over $338,333.33, which isn't very big by today's standards.

Revocable Living Trusts won't accomplish much estate tax savings for single people. But married couples are crazy if they ignore the opportunities. See, each individual person gets to exclude those amounts from estate tax. So if both spouses use their estate tax exclusions, they can shelter $7 million from federal estate tax and $676,666.66 from Ohio estate tax under current law.

These estate tax exclusions work like a coupon at the grocery store. If you use the coupon, you don't have to pay that amount. If you waste the coupon, you owe the full amount.

A simple Will wastes the estate tax "coupon" of the first spouse to die, if everything goes to the surviving spouse. Since there isn't any estate tax on things that pass between spouses (the "unlimited marital deduction"), there is no opportunity to use the first spouse's coupon. When the second spouse dies, he or she now has *all* of the assets, but only *one coupon* left. The government loves simple Wills.



It is relatively easy to preserve both estate tax "coupons" in a Trust. Split the Trust into two shares for the surviving spouse on the first death: one share uses the deceased spouse's coupon, the other uses the marital deduction for everything over the coupon amount. When the second spouse dies, that spouse's coupon avoids estate tax on another chunk of the assets. Two coupons are always better than one.

In Ohio, however, you don't even have to always split the shares. You can streamline the Trust by keeping the Trust assets in one share for the surviving spouse, and take care of the tax planning by some simple elections on the estate tax return.

Anyway, this isn't an article on the intricacies of estate tax planning. Just remember, basic estate tax planning with a Trust for a married couple can save anywhere from about $23,000.00 to $1,820,000.00 in state and federal estate taxes, depending on your net worth. That's money that goes into your Beneficiaries' pockets instead of the government's coffers – a result that you can't accomplish with a Will.

TOO GOOD TO BE TRUE?

As with most things, Trusts do have drawbacks. It's only fair to examine the criticisms of Trusts, not just the benefits. At least this will allow you to weigh the pros and cons before you decide if a Trust is the way you should go.

Psychological Impediments

A major reason that many people avoid Trusts is psychological. Since they don't know much about them, they think they are too complicated and they don't want to be embarrassed if they don't understand them. So, they rationalize this fear of the unknown by convincing themselves that they are not "good enough" to have a Trust.

Trusts are more complicated than Wills. That's logical because Trusts do a lot more than Wills. The reason that many professionals shy away from Trusts is because they have never learned how they work, either. The best way to overcome this roadblock is to learn more about them and then work with an experienced estate-planning attorney who does understand them – and who can help you understand them, as well.

The Simplicity Factor

Everyone believes that his or her situation is "simple." "Simple" is a relative term. It's not something you can determine in a measuring cup. It's not a matter of the number of assets you have or your net worth. Just because *you* understand what you have does not mean your whole situation is simple.

Remember, estate planning involves all of your hopes, dreams, fears and goals for your family, not just how much money you have. Yes, sometimes a family's complete situation and goals truly are simple, and a Trust in those situations may be overkill. However, a Trust can be as simple or as complex as you want. You can create a Trust without a bunch of bells and whistles that will still save your family a great deal of cost, risk and stress when you're gone.

Advised Against It

We already addressed the "pigeonhole planning" approach that many professional advisors use in determining whether you need a Trust. Your net worth is not a good measuring stick of what type of estate plan you need. There is also another danger with some of the advice you may get.

Many advisors – from attorneys all the way down to your local bank teller – convince you they can solve all of your problems using "probate shortcuts." A joint and survivorship account here and a few payable-on-death designations there, and you're all set. And they are heroes because it's quick and free!

That may work if your only goal in life is to avoid probate. In saving you a few short-term planning dollars, however, did they fulfill all of your other important goals? Did they even ask you what those goals are? Did they study your estate plan first to be sure that their quick fix is actually consistent with the rest of your plan?

The point is that good estate planning shouldn't occur in a vacuum. There is nothing wrong with probate shortcuts in the right situation, if they truly

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accomplish all of your objectives. But you can't plan well by looking at each asset in isolation. A good estate plan addresses all of your important goals together, not just how you get one or two assets out of probate.

Initial Cost

There is no question that it costs money to do your estate plan. Trust planning always costs more up front than Will planning. That factor alone scares most people away from Trusts.

It's a sad fact that people usually perceive "value" solely from the *initial* price of planning. This perception usually results in people opting for the cheapest plan possible, whether it's the best plan for them or not. Real "value," however, is not in the initial price, but in the results you achieve. Whoever coined the phrase, "You get what you pay for," must have been settling a screwed-up estate at the time.

You need to consider not only the initial price, but also what it will cost your family to settle your estate. Your focus should be on the *overall* cost, not just the initial price of your plan. Otherwise, you are only looking at a small part of the total picture.

Comparison of Costs for a Married Couple With a $650,000 Estate

	WILL	TRUST
Initial Planning Cost	750.00	3,500.00
Settlement Costs		
Attorney Fees	17,300.00	6,500.00
Federal Estate Tax	0.00	0.00
Ohio Estate Tax	20,200.00	0.00
Total *Overall* Cost	**38,250.00**	**10,000.00**

Here's an example. Which is better, spending $750.00 to get a Will plan and paying $38,250.00 in total overall attorney fees and Ohio estate taxes, or spending $3,500.00 on a Trust plan and paying $10,000.00 in total overall attorney fees and no Ohio estate taxes? There is a stark contrast between attorney fees for settlement alone: $17,300.00 for a Will plan versus $6,500.00 for a Trust plan in this example. This is a typical comparison for a married couple with a $650,000.00 estate. That's not a "rich" family by current standards.

Time and Effort

It takes more time, thought and effort to design a Trust than it does a Will. That is an undeniably true statement. But you've already taken the biggest step by reading this far. You know more about Trusts now than most people ever will.

Everything worthwhile takes effort. There's just no escaping it. There's no magic pill to make it easier. There's no magic form on the internet that will solve your problems correctly with a click of a mouse. In fact, do-it-yourself estate planning with a generic form you got somewhere is just inviting disaster.

There is something you can do to make the process more tolerable, though. Make sure that you use an attorney who has a high level of expertise and experience in all types of estate planning so that you get quality advice. And with that, make sure that your attorney has a broad range of understandable written information to explain your planning options. Finally, make sure the attorney has good systems in place to make the process as efficient as possible.

Funding

One of the things that people hate most about Trusts is that you have to "fund" them to make them work right. They think that correctly titling every asset you own is too hard and complicated, and it takes too much time. It forces you to organize everything. Those complaints are common and have some merit, but it doesn't have to be so burdensome if you get the right guidance.

Actually, proper asset titling is critical for *every* type of estate plan, not just Trusts. Your Will won't work either if you screw-up how you title your assets. Remember the rule we mentioned earlier: "*The success of your estate plan all comes down to how you title your assets*." It's not much harder to title

assets to work through a Trust than it is to make them work correctly through a Will.

Think of it this way. It's much easier for *you* to get organized and title your assets correctly while you are alive than to dump the problem on your *family* to figure out after you're dead. Do your family a favor by doing it correctly now.

THE FINAL ANALYSIS

Your estate plan is your vision for the most important thing in your life – your family. It's your family's roadmap for a secure future – an assurance that they will have a clear path to reach the destination you set for them. The choices you make in your estate plan will directly affect the costs, risks and stress they encounter after you're gone.

A Revocable Living Trust may be an excellent solution for many families. The flexibility of a Trust makes it the perfect tool for accomplishing a wide range of personal goals. The power of a Trust goes far beyond issues of money and taxes, and can address the unique circumstances of your family exactly the way you want. You owe it to yourself – and most importantly to your family – to explore whether a Trust would be an appropriate centerpiece of your estate plan.

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