

THE TOP 4 REASONS TO CONSIDER

A LIVING TRUST

A revocable living trust can be one of the very best devices for passing assets on to charitable beneficiaries and loved ones. Below are four of the biggest reasons to consider using a revocable living trust.

Benefits While Still Living

A living trust may start to provide benefits as soon as it is signed and assets are placed into the trust. For example, a living trust can identify who you want to make financial decisions for you should you become incapacitated. This could allow regular charitable donations to continue even during your incapacity. It can also define incapacity rather than having to rely upon a court to determine such; potentially, this can save quite a bit of time, money, and stress for loved ones. There are other advantages you can enjoy while you are still living as well, which will be based on your specific situation and your assets.

By contrast, a will doesn't take effect until after you pass away. As a result, a will has no effect when it comes to planning for the possibility of incapacity.

Protection for Individual Beneficiaries

Are your beneficiaries old enough and mature enough to make responsible financial decisions with their inheritances? Do you trust them to act prudently if they receive their inheritances in a single lump sum? Even if you answered yes to these questions, would you like to be able to provide a layer of asset protection to your beneficiaries to shield them against a bad marriage or divorce, creditors, or potential lawsuits? These benefits may be obtained through a properly drafted living trust that may insulate beneficiaries from the effects of youth, unwise spending habits, a poor or unfortunate decision in selecting a spouse, financial irresponsibility, or potential creditors.

Minimize Probate

One of the biggest benefits for your charitable beneficiaries and loved ones when you utilize a living trust is that you may be able to avoid probate, which can be expensive, time-consuming, and is public in nature. With just a traditional will, your estate will likely have to go through the probate process. When a trust is properly funded, however, assets in trust can avoid this step. The result can be substantial savings in terms of time, money, and stress reduction.

Additional Privacy

After your death, a living trust does not typically become public record. This means that assets owned in trust can remain private, which many families prefer. On the other hand, if you have only a will in place, assets owned in your individual name will become part of a public probate proceeding.

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