

Powers of Appointment

- If you are the beneficiary of a trust, you may have some say in where the assets go if you die before the trust is fully distributed. If you do, there will language in the trust that gives you power of appointment.

Power of Appointment

- This may allow you to direct the distribution of trust income and principal to another during your lifetime (a lifetime power of appointment) or through your will (a testamentary power of appointment). If the trust document is silent about this, you most likely do not have any control.

Limited or Special Power of Appointment (Lifetime or Testamentary)

- This will usually allow you to appoint the trust property among descendants (or trusts for their benefit) of the grantor and possibly charity. You will not be allowed to appoint the trust property to yourself, your estate or creditors. Because of the limitations on how you can appoint the trust property, this level of power should not cause the trust assets to be included in our taxable estate

General Power of Appointment (Lifetime or Testamentary)

- This will allow you to appoint the trust property to any person or entity, including yourself, your estate or your creditors. Because there are no limits on what you can do under this power, the value of the assets of the trust will be included in your taxable estate.