

Trust Benefits

- Trusts are established for a number of reasons

Incapacity Planning

- Some trusts provide direction as to how your financial matters will be handled for your benefit if you cannot do it yourself.
- Revocable living trusts are an example of this type of trust.

Asset Protection

- Assets held in certain kinds of trusts are protected from a beneficiary's creditors, a spouse from a failed marriage or even financial immaturity.
- A spendthrift trust is one example of a trust that provides asset protection.

Mitigate Taxes

- Some trust are established to take advantage of certain tax provisions that allow the assets in the trust to be exempt from certain gift, estate and generation-skipping transfer taxes.
- Dynasty trusts fall in to this category.

Privacy Issues

- Property held in certain trusts will not become part of the public record at the grantor's death, as could happen with assets passing to beneficiaries under a will.
- Both revocable living trusts and irrevocable trusts are used for this purpose.