

COMPARISON OF ESTATE PLANNING OPTIONS

	No Will	Will	Revocable Trust
If you become incapacitated	Court appoints guardian who reports to court. The guardian controls your finances and assets.	Same as if you had no Will because a Will does not have any legal weight until the day you die.	The trustee you picked for such an event as your incapacity will manage your trust assets according to the trust's terms.
Cost	Court costs and attorney fees.		Trustee fees if the trustee (often your family) decides to accept them. Attorney fees to draft trust and pour-over Will.
When you die	State statute controls the amount and to whom your assets are distributed (including your creditors). Documents must be filed with the court.	Probate court oversees the process to assure that your debts are paid, and your assets are distributed according to your Will. Documents must be filed with the court.	If your trust is fully funded, only your pour-over Will goes through Probate. A pour-over Will leaves all your probate assets to your trust so that your trustee can manage and oversee the process. Your trustee may distribute your assets according to the terms of your trust without delay. Furthermore, assets left to your loved ones in trust (by the terms of your own trust) are generally protected from your beneficiaries' creditors.
Cost	Court costs and attorney fees.		Court costs and attorney fees to help trustee understand the trust and change the titles of your assets.
Flexibility and Control	No control or flexibility. When you die, your property is controlled and distributed by state law, regardless of the circumstances.	Some control since your Will doesn't take effect until you die. You can write new Wills to cover new circumstances, but Wills are easily contested.	You control your assets. The trustee you hand-picked will deal with your assets the way you have instructed within the terms of your trust. The trustee has a legal fiduciary obligation to abide by your trust. You can change your trust or even discontinue it.
Privacy	None. All probate records are open to the public (your neighbors, creditors of your beneficiaries, and disgruntled family members).		Your privacy is preserved. Trusts are not public documents. Even though an affidavit of trust must be on file in order to sell real estate, the only information on the affidavit is the name and date of the trust and the trustee powers to sell real estate.
Minors	Probate court takes control of the inheritance. A guardian is appointed, unless named in the Will, and must file reports and get court approval of all financial transactions. All funds must be distributed outright to the child at age 18. However, a Minor's Trust may be established in a Will with proper planning.		Your appointed trustee manages the child's assets according to the terms of your trust. Usually, the trustee provides funds for medical care, education, maintenance, or any special item you may decide, but does not distribute principal until the ages or circumstances that you have dictated.
Costs	Court costs and attorney fees until the funds are distributed.		Only what your trustee (often your family) chooses to accept. Attorney fees to draft trust and pour-over Will.

Please be advised that this document is for general informational purposes and is not intended as legal or tax advice. Clients should consult with their own personal estate planning attorney and/or tax advisors regarding their particular circumstances. Individual cases, strategies and options will vary. Intestate succession laws vary from state to state. Lance Belline is the author of the informational and educational book, More Wealth, Less Taxes. The book's subject matter is not intended and should not be relied upon as investment or financial advice, nor does it constitute an offer, recommendation, or solicitation. You should work with your own financial professional and seek the services of your tax, legal, and other financial professionals as needed, based on your particular circumstances prior to making investment decisions. Investing involves risk, including loss of principal invested.