



FROM THE SHORE *A will speaks once. A trust keeps watch over every season after.*

ESTATE PLANNING

Why Set Up a Trust, *Even If You Have a Will?*

A will is a good start. But for asset protection, control, privacy, and a faster path for your family, a trust does what a will cannot.

TAMARA L. HARPER, J.D., AEP® · 6 MIN READ · ESTATE · PLANNING

OCTOBER SERIES · PART 2 OF 4

Last issue we asked when to review your estate plan. This week we look at what belongs in it. There are many reasons why creating a trust is crucial for wealth transfer, **even if you already have a will.**

Those reasons include asset protection and control, minimizing probate time and costs, and potentially minimizing tax obligations. Below, we highlight seven of them — read on to see if any describe you.

AT A GLANCE Seven signs you need a trust

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| <p>01 Got wealth?
Reduce or eliminate estate tax</p> | <p>02 Got control issues?
The who, what, when, and how</p> | <p>03 Got poor health?
Protection during incapacity</p> |
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Limits for a spendthrift heir</p> | <p>05 Got kids?
A shield against the worst case</p> | <p>06 Got a heart of gold?
Charities and grandchildren</p> |
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Skip probate entirely</p> | | |

THE DIFFERENCE

A will and a trust do different jobs

A will has no legal effect until you die. A trust starts working the day it is funded — and keeps working if you cannot.

	WILL ONLY	WITH A TRUST
DURING INCAPACITY	No legal effect while you are living	Your successor trustee manages resources according to your wishes
AFTER DEATH	Generally passes through probate	Can avoid probate, saving time and money
PRIVACY	Probate files become public record	Assets stay off public records
CONTROL	Who receives what	The who, what, why, when, and how of every distribution

SEVEN REASONS · 01-03

01 Got wealth?

If you are an individual with more cash than you could actually ever use in a lifetime, certain trusts can help **eliminate or reduce estate taxes** — preserving more of what you have built for the people who come next.

- ESTATE TAX
- WEALTH TRANSFER

02 Got control issues?

Trusts provide even more options for control over your assets than your will. A trust is key to unlocking your financial desires, since it explains the **who, what, why, when, and how** your assets will be distributed.

- DISTRIBUTION TERMS
- CONTROL

03 Got poor health?

If you are concerned about health conditions now or in the future, a trust can ensure your resources are preserved, managed, and spent according to your wishes, **even if you become incapacitated**. A will has no legal effect until you die, but a trust can help guide decisions on your behalf.

- INCAPACITY
- SUCCESSOR TRUSTEE

SEVEN REASONS · 04-07

Family, legacy, and the value of time

04 Got family issues?

If you have a spendthrift child or spouse — one that spends money like it grows on trees — you can limit their access to trust funds by designating **when** they can start to receive distributions, the **amount** they are allowed to receive, the **frequency** of payments, and other stipulations.

SPENDTHRIFT PROVISIONS

TIMING

AMOUNTS

05 Got kids?

Setting up a trust is a valuable gift you can give to your loved ones, especially children, to **protect them from worst-case scenarios**. Rather than an inheritance arriving all at once, a trust lets you decide how it is managed and for how long.

MINOR CHILDREN

TRUSTEE

06 Got a heart of gold?

A trust allows you to direct money to parties beyond your spouse, such as to a **charity or your grandchildren**. Your life's work and wealth will continue to benefit the people and causes that matter most to you.

CHARITABLE GIVING

GRANDCHILDREN

07 Got zero patience?

Trusts can avoid probate, and this benefit in itself often makes it worth setting up a trust. Skip probate by having a trust agreement in place, which will **significantly speed up** the post-death process, save money, and keep your assets off public records.

PROBATE AVOIDANCE

PRIVACY

SPEED

“

Whether or not you fall into one of these categories, you might need a trust. Trusts protect and transfer your wealth — all while helping to define your legacy.

TAMARA L. HARPER, J.D., AEP®

NOT READY TO COMMIT?

Start with flexibility

THE FLEXIBLE OPTION

Revocable living trust

Changeable during your lifetime

If you are uncertain about making a permanent decision, you can use a revocable living trust. It can be modified during your lifetime and provides the **greatest amount of flexibility** over your assets.

THE RIGHT TEAM

Plan with your advisors

CPA, financial advisor, attorney

Choosing and creating a trust is a complex process. Engaging your trusted **CPA** and **financial advisor** together with your estate planning attorney lets you meet current and future goals while planning for potential tax implications.



Define the legacy you leave on the horizon.

IS A TRUST RIGHT FOR YOU?

Have a will? Let's see if it's enough.

Start with our free Estate Planning Self Check-Up, then bring it to a review. We will walk through which of these seven reasons apply to you and which trust structure fits.

[FREE SELF CHECK-UP ↓](#)[SCHEDULE A REVIEW →](#)[CALL 805-409-0530 ↗](#)

NEXT IN THE SERIES · PART 3 OF 4 · ISSUE 12

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This article is provided for general informational purposes and does not constitute legal advice. Tamara L. Harper is a proud member of the Conejo Valley Estate Planning Council and WealthCounsel, and holds the AEP® accreditation with the National Association of Estate Planners and Councils.