

DO YOU NEED A REVOCABLE LIVING TRUST?

1. ☐ **Lifetime Trusts for Children** – You can create lifetime trusts within your Revocable Living Trust for your children to protect their inheritance for your bloodline and theirs, especially in the case of divorce. Trusts created under a Revocable Living Trust do not require court oversight like those created under a Will.
2. ☐ **Avoidance of NJ Inheritance Tax Waivers** - if NJ inheritance tax is owed on your estate, your Executor will need to present NJ inheritance tax waivers to each financial institution to collect your account(s) held with that institution. Funding all assets into your Revocable Living Trust avoids the need for these waivers and the potential delay (as inheritance tax waivers can take several months to be received).
3. ☐ **Out of State Property** – Out of state property (such as vacation homes and rental property) can be funded into your Revocable Living Trust to avoid the costly/time consuming process of ancillary probate in the state that you own the property in.
4. ☐ **Lifetime Incapacity Protection** - The older a person is the more the incapacity protections of a Revocable Living Trust are useful. (70+)
5. ☐ **Avoidance of Will Contests** - If a family member is disinherited, a Revocable Living Trust is better at enforcing the disinheritance than a Will. It is more difficult to challenge a private document made years in advance of a person's death.
6. ☐ **Privacy Concerns** - These documents are private, not publicly filed in court like Wills.
7. ☐ **Flexibility** - Continuing trusts for spouse or adult children can easily be updated with a one-page amendment (e.g., change of trustee) without going to court for months.
8. ☐ **Avoidance of Power of Attorney Pushback** – While a Power of Attorney can be used to manage the assets of an incapacitated person, due to increased fraud, regulation and compliance rules, more banks are scrutinizing or rejecting them at a moment where time is of the essence. Funding assets into your Revocable Living Trust prevents any potential pushback.
9. ☐ **Charity** – If you are leaving a percentage of assets to charity under a Will, the NJ/NY State Attorney General Charities Bureau will require an extensive, expensive accounting. This is avoided via a Revocable Living Trust or beneficiary designations.
10. ☐ **Portability** – While you should always update your estate plan if you move to a new state, Revocable Living Trusts are portable and will cover you until you can fully amend and restate your trust in your new state of residence.
11. ☐ **Accumulation Trusts for Children** – Due to the implementation of the SECURE Act these types of trusts are now necessary for most clients who have retirement plans and minor children.
12. ☐ **Avoidance of Probate** – NY probate is a lengthy process with the potential for long delays from the Surrogate's Court. Unfortunately, NJ courts are experiencing significant post-COVID delays as well. Funding all assets into a Revocable Living Trust eliminates the need for probate and allows your beneficiaries to receive their inheritances much faster.