



## The Advantages of a Simple Living Trust

For most people, the key benefits of a simple living trust are supervision of fund distribution and effective management of trust assets. Some find avoiding probate court is also a benefit, since probate proceedings can be expensive and are a matter of public record.

Many people who establish trusts (the trust grantors) are concerned about the possibility of leaving money or property to persons unable to handle the responsibilities — young children, for example. This is a major motivator when choosing to use a living trust over a simple will. A simple will of a married person usually leaves everything to the surviving spouse — if there is a survivor, and names the children as secondary beneficiaries after the death of both parents. If both parents die while the children are minors, a guardian must be appointed over the children's inherited assets and over the children themselves. More importantly, guardianship usually ends at age 18, and the assets must be handed over to the kids. While guardianship of the children should be handled by the will, the management of assets is better handled by the trust.

A trust could provide for several preconditions. One could arrange it so large distributions are made:

- When children reach a specific age — perhaps 21 or 25, when they are more grown up
- For certain worthy purposes — to pay for college, plan a wedding or pay for a first home
- Only under certain conditions — e.g., to receive an amount when they turn 18 and enroll in college, and additional funds for each semester thereafter

If the grantors are willing to give the trustee broad discretion, almost unlimited flexibility can be achieved in the day-to-day management of trust funds. Such flexibility could help the trustee deal appropriately with the unique abilities and opportunities (or disabilities or misfortunes) of each child. This is the approach most parents take while alive.

If little Sally, for example, showed exceptional promise on the piano, the trustee might decide to spend the money to send her to music school. If 21-year-old Jonathan got kicked out of college, the trustee might decide to give him no more spending money. But if the young man agreed to an inpatient drug abuse program, the trustee would likely decide that

would be money well spent. In family situations like these, the parents call upon the trustees to make the same kinds of judgments they would make if they were there and able.

### The living trust is an extremely useful tool in planning for possible disability.

Property and money management are important in another context — disability planning. Although the grantors of a revocable living trust are initially capable of managing their own affairs, that may not always be the case. The living trust is an extremely useful tool in planning for possible disability. Assets in the trust are already under the control of “the trustee,” whoever may be serving at a given time. So, if the grantors initially serve as co-trustees, but become disabled, the successor can step in without interruption. The grantors' resources can then continue to be managed and used for their benefit.

Usually, family trusts are set up so that either one of the spouse-grantors can independently act as trustee if the other is disabled. But it is imperative that a backup trustee be named in case something happens to both grantor-trustees. A living trust can help avoid lengthy legal proceedings, such as waiting for a court-appointed guardian, or court supervision of financial decisions.

Remember that since a testamentary trust is created in a will, it can't help you plan for disability.

Not everyone needs a simple living trust. For many people of even modest means, however, this tool can deal with a wide variety of potential concerns and issues.





## Families with Special Needs: Caregiving Tips

Caregivers typically aid someone who has a chronic illness or disabling condition. Whether a family member with special needs is a child or an adult, combining personal, caregiving and everyday needs can be challenging. Below are general caregiving tips on specific health topics to help you and those you care for stay safe and healthy.

### Be Informed

- Take time to learn about your family member's condition and special needs requirements.
- Talk to healthcare providers and other professionals who work with families with special needs.
- Understand the needs of you and your family, and work together to make good choices about housing, schools, health services and more.
- Be aware of signs of emotional or physical abuse. Notice how others care for the person with special needs.

### Get Support

- Join a local or online support group.
- Search for local and national groups that provide services, recreation and information for families with special needs.
- Find out about local, state, federal or other programs that may be available.

### Be an Advocate

- Ask questions and know your rights.
- Become familiar with the Americans with Disabilities Act (ADA), the Family Medical Leave Act (FMLA) and other state and national provisions. Know how and when to apply them to your situation.
- Inform other caregivers of any special conditions or instructions. Always remind dental or medical staff of this information each time you visit.
- Document the medical history and care issues of your family member with special needs. Keep this information current.
- Make sure your employer understands your circumstances or limitations. Arrange for flexible scheduling when needed.

### Be Empowering

- Focus on what you and your family member with special needs can do.
- Recognize appropriate milestones to celebrate. Look for memorable events and achievements to honor family members with special needs.

### Take Care of Yourself

- Stay healthy for yourself and those you care for.
- Work to maintain your personal interests, hobbies and friendships. Balance is key.
- Set reasonable expectations about caregiving. This may lower stress and make you a more effective caregiver.

Source:  
[www.cdc.gov/family/specialneeds/](http://www.cdc.gov/family/specialneeds/)

