



Protect Your Family... Streamline Transfer of Assets

Estate Planning, Avoiding Probate and Keeping Your Affairs Private



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Estate Planning is Necessary

A will assures your assets are distributed according to your wishes and specifies how affairs are to be managed after your death. Without a will, the state of Ohio decides for you.

Establishing a trust further ensures the privacy of your plans and reduces the cost of settling your affairs. Even with a will in place, your estate must go through the county probate court process, which is public and often expensive.

Proper planning with a Living Trust can avoid much of this expense and can ensure privacy and family control, according to your wishes.



In the absence of a trust, with or without a will in place, a county probate case must be opened after your death. Everything involved with the probate case—your assets, bank accounts and other property (including guns, jewelry and other sensitive items)—become public knowledge and subject to the oversight and rulings of the county probate judge.

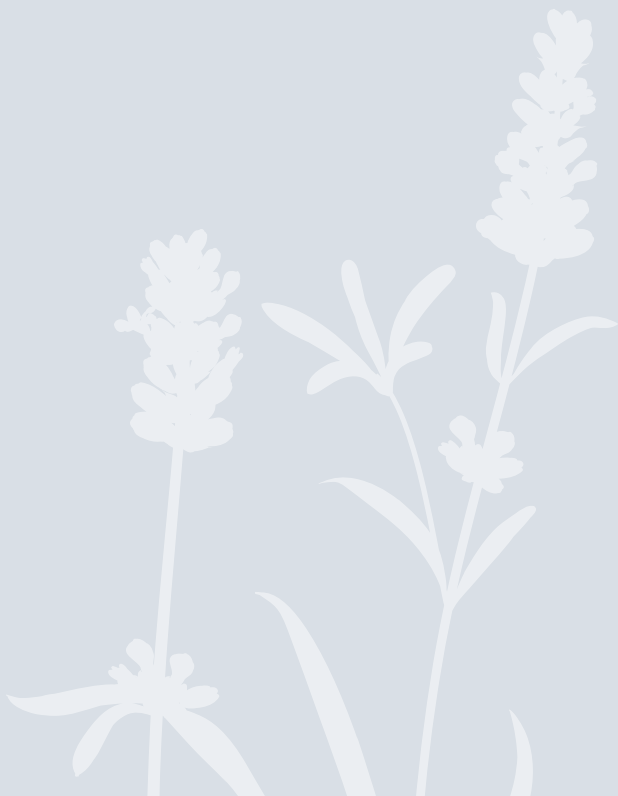


Basics of a Trust

A trust, like a business, is seen in the eyes of the law as a separate entity from you as a person. It stands alone and can hold and dispose of property.

Anyone can set up a simple trust to hold his or her property—or the assets of a married couple. A Living Trust allows a person or couple to fully control their assets during their lifetime and to change or revoke it at any time.

After you or your spouse's death, the trust carries on, and continues to hold the property, eliminating the need to probate.





Privacy and Reduced Expenses

A Living Trust avoids public disclosure through the probate system. When a Living Trust is set up and operated correctly, the world will not learn of your assets, debts and other confidential information after your death.



The costs of setting up a Living Trust, in most instances, will be less than the probate process. Average probate costs can range from 3 percent to 5 percent of the value of the assets in your estate. If a person dies with a house, retirement accounts, two cars and some money in the bank, their estate could easily be worth \$250,000 to \$350,000. Costs to probate the estate could start at \$7,500 and go up from there. Setting up a Living Trust should cost vastly less. Fees to create a Living Trust vary based on the complexity of the situation, but expect a simple trust to cost anywhere from \$2,000 to \$4,000.

By setting up a Living Trust, you have provided your family:

- The ability to avoid the aggravation and difficulty of going through the confusing probate court process
- A significant cost savings including court costs, appraisal costs, fiduciary costs and attorney fees
- Added privacy by keeping affairs out of the public court
- The ability to have complete and independent control of the family assets instead of making reports to a judge and having that judge oversee and make decisions over your family's assets
- Security against conflict by eliminating the possibility of a contested will and family fights over distribution
- Speed of asset transfers
- The avoidance of difficult multi-state probate issues of property held in more than one state



Setting Up Your Living Trust

An estate planning attorney will meet with you to review your specific needs. You can design your Living Trust to distribute your assets after death as you wish, just as in a will. After your desires are fully explored, the Living Trust document and other essential estate planning documents will be finalized.

Once the documents are final, your attorney will help you re-title your assets into the trust. This usually is as simple as changing your bank account from Jessica Jones to Jessica Jones, Trustee. Real estate will require filing new deeds with the county auditor and recorder to reflect the same.

After the signing of the original documents and the funding of the trust by re-titling the assets, your Living Trust is fully operational. It will then be vital to remember to put all newly acquired real estate, cars, boats, bank accounts and financial instruments into the name of the Living Trust.

Complete Control During Lifetime

A Living Trust is also referred to as a revocable trust. This means that you can change or revoke terms of your Living Trust at any time during your lifetime. If you set up a Living Trust with your spouse, it is completely changeable and revocable during their lifetime as well. You will not need a separate tax identification number as the IRS recognizes Living Trusts under the creator's social security number. After the death of the last of the creators of the Living Trust, the Trust becomes irrevocable—meaning the beneficiaries cannot change its terms.

Your desires must be carried out exactly as you specified.

What a Living Trust Will NOT Do

During your lifetime, a Living Trust will not shield your assets from creditors. If this type of protection is desired, consider asking your attorney for advice on Ohio Legacy Trusts and other methods to accomplish this.

A Living Trust will also not shield income-generating assets from taxes. A Living Trust operates under the creator's social security number, and income tax applies with or without a Living Trust.

A Living Trust also will not protect assets for the creator or beneficiary to qualify for Medicaid, the state's health care coverage for long term care of people over 65. When applying for Medicaid benefits for yourself or a loved one, the law provides that assets owned in the past five years are counted when determining financial eligibility for state benefits. Creating a Living Trust will not avoid those rules.

However, if you anticipate that you or beneficiaries of the trust may need access to public assistance programs, ask an estate planning lawyer about methods to assure financial eligibility for public assistance programs for nursing home placement.



Get an Appointment Today

Sit down and discuss your circumstances with an estate planning lawyer. An experienced attorney will discuss, plan and execute your Living Trust to fit your exact needs.



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