

Planning for your assets at your death

Revocable Living Trust

A Revocable Living Trust can help you avoid probate at death.

When you sign a Revocable Living Trust agreement, you create an entity to hold ownership of your assets. Similar to the idea of creating a corporation or an LLC, a trust is a legal entity with its own name, which exists completely separate from you as an individual. By putting assets in the name of the trust, you are legally transferring ownership of the assets to the trust. During your lifetime and as long as you are healthy, you can continue to manage your assets just as you normally would. In the trust agreement, you also name someone else to be in charge of your assets after your death. When that time comes, the person you named in your trust agreement takes over managing your assets, and this person distributes your assets to your beneficiaries according to your wishes. In this way, your assets can be distributed to your loved ones after you pass away without going through probate.

Planning for your assets at death is important for the people you leave behind.

There are default rules about who receives your property at death, but your wishes may be very different from the default rules. Creating a plan for your assets at death is particularly important if you want to include loved ones outside of the “traditional” roles. For example, couples who are not married would not normally inherit from each other under the default rules, but they can include each other in a trust. Friends, step-children, and favorite charities can also be included in a trust. Sometimes, you might even need an estate plan to prevent assets from passing to particular family members. Even if you want to leave everything to your spouse or your children, creating a plan is still important. Creating a plan gives your loved ones peace of mind because they know exactly what your wishes were after you’re gone. Most importantly, creating a trust allows your loved ones to save time and money by avoiding probate after you pass away.

Probate is usually more expensive than creating a trust.

Creating a Revocable Living Trust usually costs more than creating a Will, and the price varies depending on how complicated your plan is. However, even an expensive Revocable Living Trust is usually less expensive than going through probate.

Get started.

You can get started by finding an estate planning attorney to help you decide if a Revocable Living Trust is right for you.

<http://wingsoregon.org/get-a-life-plan>