

**THE
FULLY FUNDED
LIVING TRUST**

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**Timothy P. Crawford past Board Member and Current Member of the
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*** Attorney Timothy P. Crawford has
been Board Certified as an Elder
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Law Foundation which has been
approved as the Sole Certifying
Organization for Elder Law Attorneys
by The American Bar Association**

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A Fully Funded Living Trust can best be understood by considering it as a combination of a Will and a Financial Power of Attorney all in one document. A Will serves no purpose until you die. A Financial Power of Attorney is of use only while you are living. The Financial Power of Attorney is necessary in the event you become mentally incapable of handling your own affairs.

In addition to being able to act as your "financial agent" during your lifetime, your Fully Funded Living Trust has a number of other advantages. One of the primary advantages is that your estate will avoid Probate. Some people believe that if you have a Will, you will not have to go through Probate. Actually the opposite is true. Any property which is owned by you at the time of your death will be in your estate and will go through Probate.

How is a Fully Funded Living Trust Created?

A Trust is simply a document. In it you identify yourself and declare that this document is your Trust. In it you call yourself a "Grantor." This merely means that you are the person who created the Trust and put property into the Trust. You then name yourself as the "Trustee" or manager of the property that you as the "Grantor" put into your Trust. Then you name yourself as primary "beneficiary". You keep control of all of your property even though it is in your Trust.

You then name another person (perhaps your child) who you want to act as "Trustee" in event you become incompetent or die. This is the "Successor Trustee." Your Successor Trustee will act as your "financial agent" as in a Financial Power of Attorney when you are no longer able to run your own financial affairs.

Next you must decide on the "Will" portion of your Trust. You can give your property to your spouse, or to your children etc. You can make any arrangement in your Trust for distributing your property to your heirs as you would have made in your Will.

After you have named the parties to your Trust, and have signed it, the next step is for you to put your property into your Trust. This is done by changing the titles on your property.

Your real estate must be changed into the name of your Trust. Your bank accounts must be put into the name of your Trust. All stocks and bonds must be titled in the name of your Trust. Any other items that have legal titles must be changed into the name of your Trust.

Although you now have placed all of your property into the name of your Trust, since you are your own Trustee, you continue to have complete control. You can write checks, sell your property, buy more, change your bank accounts, sell your stock, buy more stock, etc. You will be able to do anything you choose to do. You continue to have complete control of all of your assets.

For married persons, one spouse might become incompetent. Then the other spouse could manage your property. There is no need to go to Probate Court and have a guardianship created.

If both spouses become incompetent, or the survivor becomes incompetent, then another Successor Trustee which you have named (perhaps your child) will take over and manage your assets for you

When one spouse dies, the survivor will become the Trustee and have control of all of the assets. No Probate is necessary, as the Trust does not die, but continues on. The property is in the Trust. This is the main advantage. There is no need for Probate, as all of your property is in the Trust.

At the surviving spouse's death, a Successor Trustee takes over and lists all of the assets of the Trust, pays the bills, and pays any taxes that are due. The Trustee then distributes the remaining property which is in the Trust as you have directed him to do. Usually this will be to your children. This is all done without Probate. Some property will require a change in title.

Will a Fully Funded Living Trust Save Income Taxes?

No. To save income taxes, a Marital Property Classification Agreement should be created. A Marital Property Classification Agreement can be drafted to save income taxes by getting an increase in income tax basis at the time of the death of the first spouse. This must be done before the first spouse dies.

Will a Fully Funded Living Trust Save Death Taxes?

A Fully Funded Living Trust can be drafted to save death taxes. It is a good idea to draft the Living Trust with death tax and income tax savings in mind. Also, it is very important to draft it in a manner to save administrative expenses.

What Is A Certified Elder Law Attorney?

Less than 20 attorneys from the state of Wisconsin have passed the national exam out of over 800 Elder Law Attorneys that we have in the state of Wisconsin.

Attorney Timothy P. Crawford was the first Attorney to have passed the exam to become **Board Certified**. He has been **Nationally Board Certified** as an **Elder Law Attorney** by the National Elder Law Foundation which has been approved as the Sole Certifying Organization for Elder Law Attorneys by the American Bar Association.

What Is Your Next Step?

To get more information concerning the above, call for your free conference. Please call Attorney Timothy P. Crawford at 262-634-6659. We have offices located in Brookfield, Glendale, Milwaukee, Oak Creek and Racine.

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