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## [The Essential Elements of Living Trust Planning](#)

### Living Trust Planning

Not to be confused with a living will, a living trust is a way to manage your estate while you are living and simplify the probate process after you pass away.

You can transfer your assets — not only cash and investments, but real estate and other possessions — into a living trust and still maintain control of those assets. Most living trusts are **revocable trusts**, which means they can be changed or canceled anytime. Further, you can put assets in and take assets out of the trust without any restrictions, assuming it's drafted properly. In creating a trust, you also name a successor trustee (think: manager or executor) who is responsible for handling certain needs, including final taxes, outstanding debts, final distributions to heirs, funeral costs, and closing accounts on your behalf.

A living trust, while you're alive, is simply a legal bucket that holds your stuff. You can drink it all up in a day, or sip it over a lifetime. You treat your assets the same way you do now, in the same accounts you do now, even using your Social Security number. And if you are married and maintain joint accounts, you both hold the bucket, with the survivor continuing to drink from the trust until their death.

### What Are the Benefits of a Living Trust?

- **It allows your family to avoid probate:** Probate — the legal process used to distribute your property after you pass away — can take years. A living trust avoids that process.
- **It can protect your assets from financial predators:** Unlike a will, which is a public document anyone can see, a living trust is kept private. This means scammers or people with bad motives won't be able to access information about your assets.
- **It can provide stability and security for children with disabilities or special needs:** A special-needs trust is a specific type of trust that can

safeguard assets on behalf of a loved one with a disability.

- **It can protect your assets against mismanagement by your children:** Some trusts can include incentives or other provisions to encourage responsible behavior by your heirs.
- **It can prevent second marriages by your spouse after your death from effectively disinheriting your children:** A living trust ensures your wishes for distribution of your assets will be honored, even if your spouse marries again.
- **It can ensure your assets remain with your adult child, even if they go through a divorce and their ex wants a share in their inheritance.**

These are just some of the advantages of a living trust. However, everyone's circumstances are different. It's always best to get expert advice from an attorney on estate planning, so you can have the peace of mind that comes with a personalized plan. To learn more, you can attend a free, online workshop: [www.SmithStrongWorkshop.com](http://www.SmithStrongWorkshop.com).

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