



DO I NEED A TRUST??

Most people when faced with this question, or whether they have an “estate” would say no, but would be surprised to learn that they do have an estate and would benefit from this important plan.

General Rule: If you have an estate valued at over \$150,000 you should have a trust.

Definition of “Estate” Includes:

1. Value of all Real Property Interests - even outside the jurisdiction and includes Time Shares
2. Boats, Cars, Other Personal Recreational Vehicles
3. Business interests including partnerships, sole proprietorships, corporations, LLP and LLC interests
4. Value of all Brokerage, Corporate Stocks, Corporate Bonds, Mutual Funds, Treasury Bills, and Savings Bonds
5. Retirement Assets including: IRA, Keogh, 401(k), 403(b) Qualified Plan, Employer Plan, Deferred Comp, Annuity, Pension Plan, Roth IRA,
6. Value of all Insurance Policies – Whole and Term
7. Amounts in Checking, Savings, CD’s, Money Market Accounts
8. Value of Notes and Deeds of Trust
9. All other personal property including clothing, furnishings and other household goods.

Reasons for Planning:

1. Avoiding probate
2. Minimizing estate taxes
3. Self-directed distribution of wealth to heirs and proactive management of health and assets in the event of incapacity.

Remember, planning is for the living. Implementing a trust now is your last chance to ensure that the beneficiaries you choose inherit what you choose, without the need for court intervention. If you are still not sure if this type of planning is for you, or are one of the small minority that really wants their family to experience probate, take the following example:

Gross Asset Value of Entire Estate	Minimum Probate Fees WITHOUT Proper Estate Planning	Probate Fees WITH Proper Estate Planning
\$400,000	\$22,000*	\$0
\$500,000	\$26,000*	\$0
\$750,000	\$36,000*	\$0
\$1,000,000	\$46,000*	\$0
\$2,000,000	\$66,000*	\$0
\$3,000,000	\$86,000*	\$0
\$4,000,000	\$106,000*	\$0

*This is not tax. These are fees that are paid to an attorney and your Executor or Administrator and are authorized by law.

Remember, if you have a will and real property, you MUST have a probate. Could this scenario apply to you? Do you risk probate? Call me now for a complimentary consultation of your legal needs.

Daniela Lungu, principal of the Law Offices of Daniela Lungu, is an established local attorney specializing in asset protection through business and estate planning. Estate planning is often the key step in planning for the future, to ensure timely and accurate wealth succession.