

LIVING TRUST COMPARISON

August 25, 2009

	<u>WILL & PROBATE</u>	<u>LIVING TRUST</u>
1. Legal Fees to Establish	\$600-\$1000 for Wills	\$1500-\$3000, plus expense of transfers into Trust
2. Legal Fees to Administer	Typically \$3000-\$5000	Typically \$1000-\$2000
3. Settlement Time	About 5-6 months in nontaxable estate; over 10 months if taxable estate	Usually 1-2 months in nontaxable estate; over 10 months if taxable estate
4. Protection of Privacy	No - Probate records are public	Yes - No public filings normally
5. Court Supervision of Collecting & Valuing Assets & Paying Claims	Yes	No
6. Asset Valuation Required	Yes - Inventory must be filed at court	Not required, unless taxable estate
7. Complexity During Life Time	Minimal or none	Significant - must be sure all assets are owned by Trust
8. Tax Savings (Income or Estate Taxes)	No difference	No difference
9. Claims and Debts Cut-off	4 months from start of probate	Usually 6 years from non-payment
10. Property Tax Deferral (Senior Citizens)	No impairment	Disqualifies home
11. Out-of-State Property	Ancillary court proceedings are necessary in each state	One single trust can include all assets wherever located
12. Vehicle for Financial Management if Disabled	No - Must get court-appointed conservator	Trust is ideal vehicle to provide continuous financial management by successor trustees