

**By Matthew Crider, JD  
Family Protection Attorney**

Most people who consider estate planning want to accomplish at least one of five specific goals. Those goals are:

1. The ability to maintain control of assets while alive. This includes investment and managerial control.
2. Access to the assets. This includes access to both the principal and the income. In short, most folks want to have the beneficial use and enjoyment of their assets.
3. Decision-making authority over how assets are to be distributed to family members and other loved ones.
4. Protection from creditors, regardless of whether the creditor is after you or the people to whom you leave your wealth.
5. Reduction of taxes upon the transfer of your wealth.

## **Cold, Hard Trust . . . I Mean “Truth”**

The long and short of it is that it's incredibly difficult (and very, very expensive) to accomplish all five of those objectives. The good news is that most people don't need all five. Most people really only need three out of the five. The three most important elements of any estate plan are control, access, and decision-making over distributions after your death. All of those goals can be accomplished with relative ease, so long as you're working with an estate planning attorney who “knows the ropes.” In short, to retain control, access, and decision-making authority, you will need a revocable trust and a will, both of which must be drafted to meet your individual needs and fit your unique circumstances. There is no “one size fits all” in estate planning.

## **What They Do**

Revocable trusts are designed to hold assets. Because they are revocable, the creators of the trusts retain complete control over the assets in trust, and they have complete discretion to use those assets however they see fit. No exceptions.

What the trust does is designate certain people as beneficiaries. That simply means that when the last trust creator dies, the trust document itself states who is to receive what. We all know that a will can do that as well. The trust goes one step further. Trusts are not probated, which means that when the last trust creator dies, the trust itself becomes the law. There is no need to involve the court system in any way.

Finally, when the last trust creator dies, the trust itself can become irrevocable. When a trust become irrevocable, the assets held in trust are effectively shielded from outside creditors. In other words, when you create a trust, you have the option to make sure that the assets held in the trust are protected from future claims against your loved ones.

## Where The Will Fits In

When used together with trusts, wills are generally termed “pour over wills.” In essence, the will “pours over” into the trust, so that all assets in your estate are distributed according to the terms of your trust. Again, this avoids expensive and potentially lengthy and contentious court involvement, and it gives your wishes the effect of law. It’s your one chance to be both the judge and jury!

## Year End Planning

The end of one year signals the beginning of something new, and this is your chance to create a new plan that will let you sleep well at night, and it will serve to protect your loved ones. Don’t wait another year. Do it now! And to help give you some incentive, we are going to meet with the first two people to call our offices and mention this article for free. Our Family Wealth Planning Sessions™ normally run \$750, so this is an extraordinary value. Make 2012 your year of planning.

## About Matthew Crider, J.D.

Matthew Crider formed [Crider Law PC](#) in 1999 so he could help individuals through the California divorce process by providing creative solutions as their trusted advisor and legal counselor. His divorce and family law practice focuses on assisting people in dissolution matters, including divorce, child custody and visitation, child and spousal support, spousal support and alimony, and parental rights.

