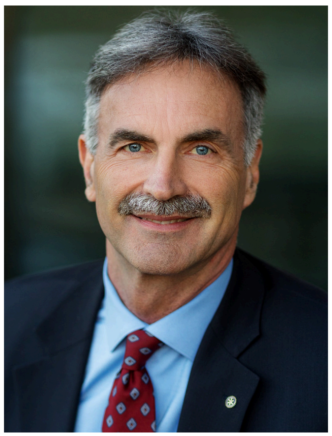
OUR SERVICES

Estate Planning (Wills and Trusts)
Elder Law and Medicaid Services
Trust Administration and Probate
Powers of Attorney
Health Care Directives
Special Needs Planning
Pet Trusts and more!

Steve Waltar
Law Firm Owner and Attorney

Practicing law in the areas of Estate Planning, Estate Tax Law, and Business incorporation since 2000.



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LEGACY
ESTATE PLANNING, LLC

WHAT YOU NEED TO KNOW AS A **TRUSTEE**

Legacy Estate Planning has been helping families for over 25 years!

TO LEARN MORE, VISIT US AT WWW.WALTAR.COM

What is a Trust?

A Trust is a legal tool designed to hold and manage assets for the benefit of the named beneficiaries according to the terms of the Trust. Think of the Trust as a box. Assets in the Trust are managed by the Trustee. The Trustee cannot control or manage assets outside of the box.

3 Roles involved in a Trust

Trustors	Trustees	Beneficiaries
Trust makers - Create Trust and transfer their assets	Manage Trust assets but can't spend them on themselves	All Trust assets are for their benefit

Trustee & Successor Trustee: *What's the Difference?*

Trustee

- Manages assets in the Trust
- Has the authority and duty to act for another
- A "fiduciary relationship"

"Successor" Trustee

- Named as a Future Trustee
- Steps in when original Trustee becomes incapacitated or passes away

Fiduciary Duty

Fiduciaries (Trustees) Must:

- Act in such a way that benefits the beneficiaries
- Protect assets under their control
- Prudently invest assets unless specifically excused
- Account for their use of funds (no cash transactions)
- Disclose their actions
- Act prudently and responsibly
- Always be objective and fair with beneficiaries

Fiduciaries May Not:

- Exert any undue influence or pressure
- Take selfish advantage
- "Self-Deal" with the person with whom they are in a fiduciary relationship, in such a way that benefits the Fiduciary or prejudices the person to whom a fiduciary duty is owed

Trustee's Responsibilities

- Follow instructions of the Trust
- Notify financial institutions of Trustee change
  - IRAs, 401Ks and annuities, or
  - Any account owned by the Principal in their name
- Ensure financial needs of Trustor and spouse
- Follow any other specific directives
- Nursing home planning
  - Avoid going broke from nursing care expenses

What Happens When Someone Passes Away

- **Send required notifications to**
  - Beneficiaries and other interested parties
  - Social Security, DHS, etc.
- **Create inventory of assets**
  - Real estate, bank accounts, brokerage and investment accounts, IRAs and retirement accounts
  - Life insurance, annuities, vehicles, personal property, and other assets
- **Obtain valuation of assets as of date of death**
  - Needed for capital gains basis adjustment
  - Needed for Trust funding and allocation
- **Everything owned as Community Property**
  - 100% step-up in basis to fair market value as of the date of death
  - Elimination of capital gains
- **Create a list of Creditors and Expenses**
  - Credit cards, Line of Credit, Mortgage or Landlord, and Utilities
  - Resolve payment issues
- **File required tax forms and notices**
  - IRS forms and State forms
- **Income Tax Filings**
  - Decedent's final personal income tax return
  - Trust income tax return
  - Federal and state estate tax returns

Are you a Trustee in need of guidance? Contact us to schedule an appointment with an Attorney.

We offer in-person, over-the-phone, and virtual appointments.

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