

LEGACY & LITERACY

*Wills, Trusts, and the Power of Professional
Planning*

Estate Planning Essentials - Volume 2

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1. The Foundation: Wills vs. Trusts

Choosing between a Will and a Trust is one of the most critical decisions in estate planning. While both documents dictate how your assets are distributed, they function in fundamentally different ways. A Will is like a letter to the court, while a Trust is like a private contract.

2. Understanding the Last Will & Testament

A Will is a legal document that takes effect only after your death. It names an executor to manage your estate and outlines who receives your property.

- **Simplicity:** Generally easier and cheaper to set up initially.
- **Guardianship:** Crucially, a Will is the only place where you can legally name guardians for minor children.
- **Probate:** Wills *must* go through probate court, which is a public process that can take months or years.

3. The Power of the Living Trust

A Revocable Living Trust is a "living" entity that holds your assets while you are alive and transfers them seamlessly when you pass away.

- **Privacy:** Unlike a Will, a Trust is private. No one except the beneficiaries needs to know the details of your estate.
- **Incapacity Planning:** If you become ill or unable to manage your affairs, your successor trustee can step in immediately without a court order.
- **Efficiency:** Assets in a trust bypass the probate process entirely, reaching heirs faster.

4. Side-by-Side Comparison

Feature	Will	Living Trust
Effective Date	Only after death.	Immediate (upon signing).
Probate	Required.	Avoided.
Privacy	Public record.	Private document.
Guardianship	Yes (can name guardians).	No (cannot name guardians).

Cost	Lower upfront / Higher later.	Higher upfront / Lower later.
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Note: Most robust plans include both—a "Pour-Over Will" acts as a safety net for any assets not officially moved into the Trust.

5. The Advantage of a Certified Planner

Deciding between these tools requires a deep dive into your financial life. A **Certified Estate Planner (CEP®)** provides the following advantages:

Strategic Funding

A trust is useless if it isn't "funded." A planner ensures your bank accounts, real estate, and investments are properly retitled into the trust's name.

Tax Coordination

They help determine if an Irrevocable Trust is necessary to shield assets from heavy estate taxes, a nuance often missed in basic Will templates.

Continuous Oversight

Laws regarding trusts change frequently. A certified professional monitors these shifts to ensure your documents remain compliant and effective over decades.

To Get Started

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