McIntyre
Elder Law

4 Signs You Need a Trust:

A Guide from McIntyre Elder Law

Estate planning is an essential step in life, but understanding what fits your circumstances best can be complex. A trust is a crucial part of the puzzle that may or may not fit your specific situation.

This guide will help shed some light on the matter and provide you with key insights to determine if a trust might be necessary for your circumstances.

1. You Own More Than One Piece of Real Estate or Have Substantial Retirement Assets

The first sign that a trust could be beneficial for you is when you have multiple properties or substantial retirement assets. The more property and wealth you have, the more there is at risk. If your assets pass through the probate process, they are exposed to a greater risk than if they were sheltered within a trust.

Beyond the risks associated with the probate process, wealth and property also pose significant risks during your lifetime. For individuals over the age of 65, there's a 70% chance of needing some form of long-term care in the future.

This care can cost $10,000 - $15,000 per month, potentially depleting your assets quickly. A trust can serve as a protective barrier for your assets from probate, nursing home costs, and benefit programs like Medicaid that may cover your long-term care.

Furthermore, a properly structured trust can provide liability protection against lawsuits and other personal liabilities. It can also offer substantial tax benefits, helping you avoid estate and inheritance taxes that could potentially deplete your estate by 50%.

2. You're Aging and Experiencing Health Problems

The second sign that a trust might be necessary is if you're past retirement age or experiencing health problems. Medical bills can significantly deplete an estate after a person's passing, particularly if the estate goes through the probate process.

If you foresee health issues in your future or are already dealing with them, a trust can protect and shield assets from medical creditors like nursing homes and hospital bills.

3. You Have No Long-Term Care Insurance

The third sign indicating the need for a trust is if you lack long-term care insurance. Long-term care insurance covers the cost of long-term care if you ever need it.

However, qualifying can be difficult if you have pre-existing conditions or are over a certain age. Premiums can also be prohibitive. If you don't have long-term care insurance, a trust is a good alternative plan to protect your assets and pay for long-term care.

4. You're Part of a Blended Family

The fourth sign that you might need a trust is if you're part of a blended family. When two families come together, each with their children and perhaps grandchildren, it can create complexities regarding estate planning.

A trust can simplify the process and ensure the right beneficiaries receive the assets intended for them, preventing potential disputes and will challenges.

Conclusion

These are only a few signs that you might need a trust. There are many more factors to consider, and your situation could be unique. It's always best to consult with a legal professional who can help guide you through these complexities.

At McIntyre Elder Law, we have years of experience helping North Carolina individuals and families navigate the intricacies of estate planning. Don't delay.

Contact us today to schedule a free consultation and discover if a trust is the right solution for you.

(888) 999-6600

Visit our website

McINTYRE
ELDER LAW