



# TRUST

## INVESTMENT PERSPECTIVES

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## Establishing Trust, Step-By-Step

Creating a trust is a very important step in the estate planning process; but without funding the trust, there is no value to the trust document. Even after going through the process of detailing where assets should go, if the assets are not titled in the name of the trust, your will or intestate laws will determine who receives the possessions.

If you have a pour-over will, the assets will finally end up in the trust after an expensive and long probate process.

Many attorneys will assist in the transfer of assets to a trust, but you must provide them with a complete list of assets. As time goes on and additional assets are obtained, make sure to vest them in the name of the trust as well.

The following list is not all-inclusive list, but it can be a guide for the types of assets you should be sure to bring to your attorney's attention when considering what assets should fund the trust:

- Real estate
- Mineral interest to include royalty and working interests
- Annuities
- Life insurance
- Automobiles
- Notes receivable
- Business ownership
- Personal property
- Brokerage accounts
- Bank accounts
- Safe deposit box
- Copyrights and patents

The process of transferring the assets depends on the type of asset owned. Some assets, such as personal property and business interests, can be transferred by completing an assignment of ownership. But if the assets have a certificate of title, a trip to the tag office is required for ownership change. Items such as real estate and mineral interests will require a deed to be filed with the appropriate county clerk.

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Be careful when dealing with retirement accounts. The owner of the account must be an individual. Also, naming the trust as the beneficiary of a retirement account, such as an IRA, could result in significant tax issues. Consult a tax advisor and/or attorney before making these changes.

While writing this article, I began to think through my assets and estate plan. I realized that I failed to transfer my safe deposit box and an ATV to my trust. Not one to ignore good financial advice, I will be making a trip to the bank and the tag office in the near future! 📌