



Revocable Living Trusts

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A Revocable Living Trust (RLT) is a document in which a person names a Trustee (often, the person will serve as his own Trustee initially) to manage any assets that are placed in the RLT during the person's lifetime. The RLT generally provides that any assets it holds are to be used for the benefit of the person who created it as long as he or she is still living. The RLT takes effect as soon as it is signed, although assets must actually be transferred to it before it will control them. If the creator of the trust ever becomes unable or unwilling to manage the trust assets as the Trustee, the successor Trustee will take over and manage the assets on the creator's behalf. Upon the creator's death, any assets already owned by the RLT, any assets which pass to the trust from the creator's estate in accordance with the creator's will, and any assets which pass to the RLT under beneficiary designations can be managed and distributed by the successor Trustee in accordance with the terms of the trust.

There are specific situations in which an RLT is beneficial; some of those situations are listed below. However, in recent years, a great deal of misinformation has been circulated with regard to RLTs versus wills, especially as relates to the benefits of RLTs after the person's death. In September 2010, we posted an extensive article detailing the differences between, and relative merits of, RLTs and wills. It also goes into detail regarding each of the benefits of a RLT listed below. You can read it [here](#).

Reasons someone might want a Revocable Living Trust:

1. RLTs are considered to be the best vehicles for long term asset management, especially for those with concerns about possible long-term incapacity or those who may need help managing assets on a long-term basis.
2. RLTs allow you to avoid the need for ancillary probate processes where real estate is owned in multiple states.
3. RLTs are one of the best ways to help avoid post-death disputes.
4. RLTs do not become part of a public record, whereas Wills become publically available documents after one's death. This can be comforting for those who are concerned about keeping their estate plans private.
5. RLTs can be a good way to avoid estate plan disruption should a surviving spouse elect to take Year's Support (in Georgia) or a forced (or "elective") share (in other states), although a well-crafted prenuptial agreement is generally the best way to deal with this concern.
6. RLTs can help avoid the need for a potentially expensive and onerous probate process. This should not be a significant concern for Georgia residents, since well-drafted wills are not difficult or expensive to probate in Georgia. However, even Georgia residents can have issues which make



reducing the need for a probate process desirable, such as a potential dispute or real estate in other states.

7. RLTs can use an easily-amendable schedule to provide for specific bequests. This allows you to make such bequests on a legally enforceable basis, but to be able to change those bequests without having to prepare a formal trust amendment or codicil to a will.

Trusts have downsides, of course, including the cost of the additional attorney fees needed to draft the documents and the need to ensure that assets are properly transferred to and held by the RLT. RLTs do not replace a Will as part of an estate plan. Instead, you'll need what is called a "pour-over will" to ensure any assets not caught by the trust will be distributed appropriately at your death.

Trusts, like all other estate-related mechanisms, should only be created with the assistance of an experienced estate planning attorney and other trusted professionals. We invite you to call us at 678-720-0750 or send us an email to arrange a complimentary estate planning consultation, where we can discuss revocable living trusts and other estate instruments and see what might be right for you.

In addition, to receive periodic estate-planning information and insights please sign up for our newsletter, "The Passionate Estate Planner," by sending a request to info@morgandisalvo.com.

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