

What is a Will?

A *Last Will and Testament* is an important document. It names the recipients of your estate and designates how much of the estate goes to each person or charity. You select the Personal Representative (or executor) of your estate. The Personal Representative is responsible to carry out the terms of your Will, including the responsibility of administering a probate.

What is Probate?

Probate is the process of transferring assets owned by a deceased person to the new rightful owners. If a person did not have a will, their assets will pass according to state law to certain relatives, called heirs. A probate will typically last at least six months, during which time notices are sent out to relatives and published in newspapers. There are certain time periods during which individuals and creditors can make claims against the estate. An inventory and accounting of the estate is sent to all interested parties and may also be filed with the Court. Anything filed with the Court is available to the public.

What are Powers of Attorney?

Powers of Attorney are effective only during your lifetime and are used to give someone else the right to conduct business or make medical decisions on your behalf.

What is a Living Trust?

A *Living Trust* is created when you sign a trust agreement. *It might help you to think of a living trust as a basket designed to hold your assets.* A Trust continues after you die, avoids probate if properly funded, and may eliminate or reduce estate taxes.

How Does a Trust Work?

When you create a *Living Trust*, you, and your spouse if you are married, are called the Trustors. You must take action to place or direct your assets and property into your Trust. You decide how the Trust will operate and who will ultimately get the remaining Trust assets when you die. You will typically act as the initial Trustee or administrator of the Trust, and will identify Successor Trustees. The Successor Trustee will take care of the assets of the Trust after you are either deceased or unable to continue operating the Trust because of disability. You will have complete control of your Trust assets and are free to decide how the assets will be used during your lifetime and competency. The Successor Trustee is bound by the terms of the Trust Agreement (which becomes irrevocable upon your death). The Successor Trustee must use the Trust assets to support and care for you while you are still alive, and, after your demise, must finalize the administration of the Trust and distribute the Trust assets to your beneficiaries (persons or charities) as directed by your Trust.

Who Would Benefit From Having A Living Trust?

If one of the following situations applies to you, a living trust may be beneficial.

- Married couple has an estate worth more than \$2 million (including life-insurance death benefits);
- You have real estate equity of more than \$75,000 or other personal property worth more than \$50,000.
- You do not want a court to appoint a conservator for you if you become disabled or incapacitated.
- You have minor children or disabled adult children who will be inheriting from you.
- You have inexperienced or irresponsible loved ones who will be inheriting from you.

Can I Avoid Probate Without a Trust?

If you own your home, but have a modest estate, you can avoid probate without a trust with a *Beneficiary Deed* on your Arizona real estate and making beneficiary designations on your accounts.

We confer with you
and review the estate
planning tools
available that meet
your personal goals,
such as

- Trusts and Wills
- Powers of Attorney
- Living Wills
- Beneficiary Deeds

We customize your
estate plan for you.

**COOLEY
&
ROBBINS, LLC
Attorneys**

10211 W. Thunderbird Blvd.
Sun City, Arizona 85351
Suite 201

(623) 977-1900

Fax (623) 977-2600

www.azprobatelaw.com

**Frequently
Asked
Questions
About
Estate
Planning**

