If you are preparing to put together your estate plan, it is important to learn the basics of the estate planning tool known as the “revocable living trust.” For many people, the revocable living trust has become *the* estate planning tool for distributing assets after death due to the numerous benefits it offers under a wide range of personal circumstances.

# What is a Revocable Living Trust?

A revocable living trust is an estate planning tool that allows you to retain control over your assets during your lifetime while providing clear guidance for what should be done with your estate after your death.

**Revocable** – Once you create a revocable living trust, you can terminate it later if you change your mind. You can also make changes to the terms of the trust throughout your lifetime.

**Living** – The revocable living trust is created during your lifetime. Upon your passing, the trust is already in place to take care of distributing your assets to your named beneficiaries.

**Trust** – A trust is a legal arrangement created by a formal trust agreement that designates a “trustee” (the person responsible for administering the trust) and the trust’s “beneficiaries” (the people who are entitled to receive designated assets from the trust). The “grantor” or “trustor” (the person who creates the trust) will commonly be named as both the trustee and sole beneficiary until the time of his or her death.

# What are Some of the Benefits of Using a

# Revocable Living Trust?

One of the most significant benefits of the revocable living trust is that it **avoids the probate process**. Probate can be an emotionally-challenging process; and, especially for larger estates, it often involves time and costs that can be avoided with an effective estate plan.

Another important benefit of using a revocable living trust is **privacy**. By avoiding probate, you can avoid having an inventory of your assets become public record through the courts.

Using a revocable living trust in your estate plan can also help you **plan for incapacity**. Rather than leaving your family to deal with the burdens of guardianship, you can simply designate a trustee who will, at the right time, take on responsibility for managing your financial affairs.

# Who Should Use a Revocable Living Trust?

Anyone who owns assets should consider using a revocable living trust as the primary document in their estate plan. In fact, from prized collections to various types of financial accounts, many people have more assets than they realize, and as a result, individuals should take the time to discuss the benefits of revocable living trusts with skilled McKinney estate planning lawyers.

Even if it turns out that a revocable living trust isn’t right for you, this discussion will be informative for determining the best type (or types) of estate planning tools for your personal circumstances.

# Schedule a Free Estate Planning Consultation at The Nordhaus Firm

To learn more about the benefits of using a revocable living trust for your estate plan and to find out if a revocable living trust is right for you, we encourage you to contact us for a free confidential consultation. To speak with an experienced estate planning attorney at The Nordhaus Firm, call our McKinney, TX law offices at 214-726-1450 or request an appointment online today.