

It can be hard to understand all the documents that are often now recommended as part of an estate plan. Once upon a time, most people had nothing more than a traditional will. Now estate planners recommend revocable trusts, powers of attorney, living wills, pour-over wills, and other documents in the majority of situations.

So what is a pour-over will and how does it differ from other types of wills?

Pour-Over Wills Work in Conjunction with Revocable Trusts

To understand how a pour-over will operates and situations when you might need one, it is helpful to look at an estate plan centered on a revocable “living” trust. Many people have their attorneys prepare a revocable trust and transfer their property into the trust so it can pass to their loved ones without going through probate. When the owner of a revocable trust dies, the property in the trust goes directly to the alternate beneficiaries and is not delayed in the costly probate process.

Once people set up a revocable trust, they often feel that they do not need a will. However, property that gets left out of the trust still needs to be handled in some way. A will is the best way to direct the disposition of property that is not included in the trust. For that reason, attorneys often create a pour-over will to go along with a revocable trust.

How a Pour-Over Will Operates

A pour-over will simply instructs the executor to move any property in the estate into the trust after the testator passes away. It is a type of safety net to collect property

and ensure that it is distributed under the terms of the trust. That makes a pour-over will a very simple but critical document.

Property may be left out of a trust for many different reasons. You might decide you don't want to title your car in the name of the trust, for instance, or you might forget to retitle a recreational vehicle. A pour-over will operates like a funnel to pour assets into your trust. However, that property may need to go through the probate process before it moves into the trust. If you work with your attorney or financial planner to ensure that all your valuable property will pass directly and stay out of your estate, then minor property that is covered by a pour-over will may be handled through a simplified probate process.

Talk to an Attorney About Whether a Pour-Over Will is Right for Your Situation

Some planners advocate the use of a traditional will in conjunction with or in lieu of a revocable trust, depending on your situation. Your estate plan should be crafted to meet the needs of your family and to best protect your financial interests. To talk to an experienced legal advisor at The Nordhaus Firm about whether a pour-over is the right option for your circumstances, contact us today.