

Differences between Wills and Living Trusts

Both Wills and Trusts are devices which you can use to provide for the distribution of your estate upon your death. Deciding whether a Will or a Trust best fits your needs depends on your circumstances. A living Trust is a popular alternative to the traditional Will, but you should weigh the advantages and disadvantages of each before deciding on one form or the other.

	Will	Living Trust
Probate	Subject to probate proceedings. Out -of-state property requires probate proceedings in that state, as well. Provides court supervision for handling beneficiary challenges and creditor disputes. Becomes public record at the time of your death.	Not subject to probate proceedings. Avoids the cost of a second-state probate proceeding where there is out-of-state property. No automatic court supervision to deal with disputes. Remains private.
Tax Savings	Same tax saving provisions available as are available in a Trust.	
Management of your Assets	In addition to the Will, must use a Power of Attorney or Conservatorship to manage assets.	Allows you as the grantor to manage the Trust assets as long as you are willing and able. Makes provisions for a successor trustee to take over in your place.
Costs	Costs less to prepare a Will than a Trust. Cost to probate a Will can be substantial.	Costs more to prepare, fund and manage a Trust than to prepare a Will. But avoids probate costs if all assets were held by the Trust.

Source: <http://www.lectlaw.com/filesh/qfl05.htm> (9/06)