

ADVANTAGES OF TRUSTS FOR ESTATE PLANNING

BY RICHARD UMANOFF, CPA, MBA

A trust is a legal agreement between two parties: the trustee and the trustor

In the first article in this series, we covered what a trust is and the type of assets you may transfer to a trust. As a reminder, a trust is a legal agreement between two parties: the trustee and the trustor (sometimes called the settlor or grantor). The trustor is the person who establishes the trust and transfers assets into it. The trustee is the person or entity responsible for managing those assets according to the wishes of the trustor. Often the trustor will also be the trustee, or one of several trustees — until their death or resignation.

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A trust has benefits for creators and beneficiaries alike. You may consider a trust if you want to:

- Pass on assets without going through probate (which is required for wills). Statutory probate fees in Los Angeles County typically are higher than legal fees incurred to draft estate planning documents and the administration of the trust after death
- Create a plan for managing personal or business assets if you become incapacitated
- Set aside assets to care for a special needs' dependent
- Establish rules or requirements beneficiaries must meet to receive their inheritance
- Preserve assets for the care of minor children in event that you pass away
- Potentially reduce estate and gift taxes

Note: Any changes to your estate plan must be drafted by your attorney.

Read more:

- [What is a Trust?](#)



About KROST's Estate & Gift, Trust and Probate Services

Our estate planning team assists with the transition of family wealth and estate succession. Our team of experts has over 80 years of combined experience working with family-owned and privately held companies, as well as high-net-worth individuals. Our primary goal is to assist individuals and their attorneys to effectively transfer wealth while minimizing unnecessary estate, gift, and generation-skipping taxes. In addition, we can coordinate all of your [Trust, probate, and estate planning](#) needs to ensure a smooth transition while minimizing emotional, tax, and administrative burdens. [Contact us today.](#)

We are offering a [free preview](#) of the planner for download. Schedule a call to assess your situation for access to the full book.

There is no better time to start, and it is never too early.

Would you like assistance with your Estate Plan? [Doug Venturelli](#) and [Richard Umanoff](#) are available to review your current estate plan, provide recommendations, and consult with your estate attorney.

About the Author

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Richard Umanoff, CPA, MBA, is a Principal at KROST

CPAs. Richard's career spans over 40 years, with a concentration in taxation. His primary emphasis is estate and trust tax compliance, planning, estate administration, and probate court accounting. Richard currently serves in the role of trustee for numerous clients. [» Full Bio](#)

