New Jersey Trust Lawyer Christine Matus Explains the Advantages and Disadvantages of Creating Testamentary Trusts

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New Jersey trust lawyer Christine Matus (https://matuslaw.com/advantages-disadvantages-creating-testamentary-trust/) releases a new article explaining the advantages and disadvantages of creating testamentary trusts. The lawyer mentions that trusts can be created either during or after a person?s lifetime. Trusts that are created after a person?s lifetime are called testamentary trusts because they are established in the ?last will and testament.?

?Like living trusts, testamentary trusts are overseen by a trustee and have specified beneficiaries. The trustee is bound by the terms of the trust and will distribute funds or property according to your specific instructions. This type of trust is often used by someone who is expecting a large life insurance payment or for those who have minor or disabled children,? the New Jersey trust lawyer says.

The lawyer mentions that one advantage of a testamentary trust is that a person has control over funding. This is one of the main reasons why a lot of people choose testamentary trusts. If they want to have more control over how their loved ones are going to use the inheritance, a testamentary trust can be a good option. They allow the person to provide financial security for the child.

Attorney Christine Matus adds that testamentary trusts can also have tax advantages. They may be able to help the creator avoid estate taxes. Aside from that, a testamentary trust is fairly easy to create. It can be a part of the person?s Will. Extra costs or fees are then often taken out of the trust itself so there are few upfront costs.

In the article, attorney Matus says about the disadvantages of testamentary trusts, ?Although you will not pay the majority of the costs upfront, there are costs that you will need to consider for the sake of the

beneficiaries and the trustee. For example, the trustee may be required to regularly report the trust assets or appear in court to make regular reporting. Legal fees for maintenance are also a factor that you may need to consider, depending on the complexity of the trust.?

Lastly, attorney Matus closes the article by explaining that one might still need a will even if they have a living trust. A will is needed especially if there are minor children or if they still have other properties they didn?t put in the trust.

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