



Allentown, PA Trusts FAQ

Trusts can be very useful, but they are not for everyone. Here, commonly asked questions are answered.

If you are thinking about opening a trust, already have a trust and have questions, or are simply unsure of what to do about an [estate plan](#), contact our lawyers for trusts in [Allentown](#) to schedule your consultation and get answers to your specific questions.

What is a Trust?

A trust is a fiduciary relationship wherein one person or entity, known as the trustee, has custody and control over certain assets. The custody and control of the assets are given to the trustee by the trustor. The trustee has the responsibility of managing the assets according to the terms of the trust and for the benefit of the person, persons, or entity the trust was created for. The person, persons, or entity benefiting from the trust is known as the beneficiary.

There are different types of trusts designed for various situations, like:

- [Revocable trusts](#)
- [Irrevocable trusts](#)
- [Charitable trusts](#)
- [Special Needs Planning](#)
- [Spendthrift trusts](#)
- [Testamentary trusts](#)
- Gun trusts

Trusts can be very specific, or they can be broad. People opt for different ones to satisfy different purposes.

When Do I Need a Trust in Allentown, PA?

Trusts can be used at any age and for a variety of reasons. Some of the most common reasons people will benefit from the use of a trust include:

Inheritance

If you have inherited a large number of assets, it is a good idea to look at a trust to manage them and keep them safe. It is also beneficial to place your own assets in a trust to protect your children's inheritance.



Special Needs Family Member

If you have a child or other member of your family who has special needs, a trust is a common way to protect any assets they may have access to. The trustee will ensure the proceeds of the trust are used for the special needs family member and not for some other purpose.

Privacy Matters

The terms of trusts, unlike Wills, are not made public. Trusts are a good choice if you do not want the details of your financial matters made public.

What are the Benefits of a Trust in Allentown?

Benefits of a trust vary, but can include:

- Keeping certain assets judgment-proof
- Providing income to a special needs family member without having that income render them unable to receive public assistance
- Tax benefits
- Ability to avoid the probate process

There may be other benefits available to you depending on the circumstances of your situation.

What are the Disadvantages of a Trust in Allentown?

Some trusts are irrevocable, meaning that once created, the trustor is unable to change the terms of or revoke the trust in its entirety. This loss of control is a huge disadvantage to many. That said, the trust may still be terminated, but it can be a lengthy process involving all parties to the trust.

Fortunately, it is possible to create revocable trusts (trusts that can be changed), but these types of trusts vary in the purpose, which may not reflect the reason you created an irrevocable trust.

Another disadvantage is the amount of paperwork involved in setting up a trust and the costs associated with creating and managing it.

How Do I Terminate or Modify a Trust in Allentown, PA?

The ability and process to terminate or modify a trust may depend upon the terms of the trust itself. Some make the process easy, and the trustor may retain the ability to terminate or amend the trust up until the moment of their death. Others are formed in such a way that once they are formed, termination or amendments require a complex process and, in the end, may not be eligible for termination or modification.



If I Make a Trust in Allentown, PA, Do I Still Need a Will?

A Will is always a good idea. It may seem confusing to need a Will and a trust, but reasons exist to have both, even though the Will may never be used.

Here are two important reasons:

1. **Guardian for minor children.** You cannot name a guardian for minor children in a trust. So if you have children under the age of 18 years, you should designate a guardian in a Will.
2. **Property not transferred to the trust.** Trusts are created all the time, and trustors often forget to transfer assets they obtain after creating the trust. If this property is not in the trust, it will not be disbursed by the trust but through probate. A Will helps ensure everything goes where it's intended and is not challenged in probate court.

How Much will Setting Up a Trust Cost?

The costs to set up the trust are minimal, but it depends on the legal services you need and the extent of those services. The more complex the trust, the likelier the costs will increase. Plus, some estate planning lawyers charge by the hour while others charge a fixed rate. Knowing what's included and excluded in those rates will also inform what the total costs of the trust are.

Do I Need a Trusts Attorney in Allentown, PA?

Setting up a trust is a sound strategy, whether doing it for financial reasons or ensuring your beneficiaries have all the resources they will need after you are gone. For simple trusts, you might be able to use do-it-yourself software or an online service, but to make sure the process is undertaken so that the trust cannot be challenged in court, it is always a good idea to have an estate planning attorney review the trust and confirm it is executed properly.

For more a trust with many assets, multiple beneficiaries, and/or complex instructions, it is always advisable to have an attorney draft, review, and execute it. The laws can get confusing. Plus, anytime you deal with finances, it's always good to have someone with experience follow up. Also, we can help you:

- Choose an appropriate trustee
- Update documents as needed and when appropriate
- Avoid probate
- Protect assets
- Achieve estate planning goals



Contact Our Trust Lawyer in Allentown Today

At [Van Horn Law](#), our trusts [attorneys](#) in [Allentown](#), PA, will help identify which trust works best in your unique circumstances. Many types of trusts can be created to suit your needs, and each has its benefits and disadvantages. We can help you weigh the pros and cons against what your specific needs are.

Contact us [online](#) or at [610-437-2757](tel:610-437-2757) to schedule your consultation and learn what type of trust can complement your estate plan today.

