

THE C & D NEWSLETTER



CITRON & DEUTSCH
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TRANSFER OF ASSETS TO YOUR REVOCABLE TRUST

We have written many times about the trials and tribulations of life when your family is faced with a probate, and that by forming a revocable trust and placing all of your titled assets into the trust, you can avoid a probate.

We recently had a situation come up where a revocable trust was formed by another attorney, but many of the assets were not in the trust at the time of death, and the wishes of the deceased will not be fulfilled. As a part of the refinance of their personal residence, the lender required that the owner take the property out of the trust. The deed taking the property out of the trust put the property into joint tenancy between the husband and wife. When one joint tenant dies the property automatically transfers to the surviving joint tenant(s). It does not transfer by the will or by the trust. The home of the deceased, instead of passing by the terms of the trust, defaulted to the joint tenant.

If all of your assets are not in your revocable trust, there is the potential that your survivors will have to endure the cost and time involved in a probate, and the assets which are outside the trust may not be distributed as you had wished. Our experience is that often when a client comes to us with a revocable trust in place, we find that critical assets are not in the name of the trust. You need to check title on all of your assets to confirm they are in your trust.

If you are unsure of how title is held on your property, call Maria Taylor in our offices and she will run a title check for you.

In the meantime, anticipate some significant changes in the estate tax laws during this session of Congress. The contemplated changes will be major and most probably will require everyone to rethink their current estate plan. We will publish a newsletter on these changes when they become law.

This complimentary newsletter is intended to provide general information. Because of the complexities and constant changes in the law, it is important to seek professional advice before acting on any of the matters covered herein.

Citron & Deutsch is a boutique law firm whose practice includes entity and capital formation, management team building, employment issues, real estate matters, trademarks and copyrights, and succession and estate planning.

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