



Irrevocable Trusts

When it comes to planning for the future of your estate, the thought is never pleasant, yet very necessary. The assets you've accumulated through life should be designated as you see fit. What is the right way to designate your assets? How do you ensure your hard-earned property passes to those whom you choose? Let Central Indiana estate and wills attorney Barbara Baird answer all your questions regarding wills, trusts, and estate planning today.

What Is An Irrevocable Trust?

An irrevocable trust is a trust that holds assets, and cannot be revoked, altered or amended. The beneficiary of an irrevocable trust becomes entitled to the assets as stipulated by the grantor in the terms of the trust. In most cases, the beneficiary or the trust, and not the grantor, is responsible for taxes on the income generated by the trust.

Why Would Someone Want An Irrevocable Trust?

An irrevocable trust may prove beneficial in situations where a transfer of assets is necessary, for example, in order to avoid estate tax on those assets. Because irrevocable trusts remove all aspects of ownership, the trust's assets are not included in the grantor's taxable estate. The grantor is also relieved of the tax liability on the income generated by the assets. Creating an irrevocable trust also allows any assets within the trust to be exempt from probate so they can be

distributed to the beneficiary without probate court supervision.

Assets held in an irrevocable trust can include:

- Business assets
- Investment assets
- Cash
- Life insurance policies

A skilled estate planning attorney can help you decide if an irrevocable trust is right for you. Call the Law Office of Indianapolis Estate Planning Attorney Barbara J. Baird at 317-426-9334.