

Trusts and Wills

Kyle Irvin, an attorney for Corbett, Anderson, Corbett in Sioux City, was the guest speaker on November 29. He talked about the differences between Trusts and Wills.

A Will gives instructions for transfer of property after death. A Will requires a probate judge to initiate transfer of assets (including property) to another person. When there is no Will or Trust, the probate will follow State law.

A Trust will define how assets are handled without going to probate. The Trust agreement specifies the Trustee of the Trust and assets have to be transferred to the Trust, including bank accounts, cars, and home. The Trust costs more initially than a Will, but saves money in the end because it avoids probate.

In a probate from a Will, creditors have four months to make claims against the estate. With a Trust they have two months. A probate can only be open for a maximum of five years. A Trust requires someone watching over the money, but can remain open much longer.

There are two types of Trust, Revocable and Irrevocable. A Revocable Trust can be changed through amendments.