

Trust Funding General Guide

This guide will help you understand the general guidelines to funding a revocable living trust. Note that this information is for educational purposes only and does not constitute legal or financial advice. Additional information on trust funding can be found in the Appendix at the end of your trust document.

Most common asset types to transfer into a Trust

1. Real Estate

- A deed is required to convey an interest in real estate to your Trust.
- You must file the deed with your county clerk, which may come with fees or additional paperwork
- The Garn–St. Germain Act of 1982 generally allows a homeowner to transfer a primary residence into a revocable living trust without triggering a due-on-sale clause, provided the borrower remains a beneficiary and occupant

2. Bank Accounts

- You may choose to add a POD (Payable on Death) or TOD (Transfer on Death) designation directly with the institution that holds your account. While typically easier, this may limit the ability for your trustee to step in if the you become incapacitated
- You may also choose to change ownership of your bank accounts to the trust. This typically requires more paperwork to accomplish, but provides access to these assets if you become incapacitated in trusts made with our platform

3. Brokerage Accounts

- Also known as investment accounts, taxable accounts, or non-qualified accounts
- As with bank accounts, you may choose to add a POD (Payable on Death) or TOD (Transfer on Death) designation directly with the institution that holds the account. While typically easier, this may limit the ability for your trustee to step in if you become incapacitated
- You may also choose to change ownership of your brokerage accounts to your trust. This typically requires more paperwork to accomplish, but provides access to these assets if you become incapacitated in trusts made with our platform

4. Personal Property

- An Assignment of Personal Property document can be used to transfer all current and future untitled movable assets into your trust at once
- Titled personal property, which may include boats, aircraft, mobile homes, and vehicles (depending on state and jurisdiction), may require the DMV or proper agency to transfer
- Any personal property listed as a gift in your trust will need to be properly funded into the trust

5. Business Interests

- The process for transferring a business into a trust varies by business structure.
- You should do your own due diligence and seek professional guidance where necessary to ensure your business is funded into your trust properly if you choose to do so
- There are many types of trusts, and you may wish to consider additional options beyond a revocable living trust depending on business structure and additional circumstances.

6. Other

- Retirement Accounts (IRA, 401k, Roth, pensions) are never retitled into a trust with a change in ownership, however, your trust may be listed as either the primary or contingent beneficiary. You will need to reach out to your retirement plan custodian to make this change if you choose to do so.
- Life insurance is generally not retitled into a trust with a change in ownership, but your trust may be listed as either the primary or contingent beneficiary. You will need to reach out to your Life Insurance company to make this change if you choose to do so.
- Annuities generally use beneficiary designation to fund the trust if desired. You will need to reach out to the insurance company who issued the annuity if you wish to make the trust a beneficiary of your annuity.
- Health Savings Accounts (HSAs) generally use beneficiary designation to fund the trust if desired. You will need to go to your HSA custodian if you wish to make the trust a beneficiary of your HSA.