**Misconceptions About Living Trusts You Should Know About**

A living trust is a great estate planning instrument that provides numerous benefits, and many legal advisors recommend including one in an estate plan. However, there are several misconceptions and myths surrounding living trusts that people usually hear from family members, friends, and online mediums, leading to the assumption that they are a waste of time and money. To help secure your assets and have complete control over them even after you pass away, here we corrected a few common misconceptions, allowing you to make an informed decision when creating an estate plan.

1. **Living Trust Does Not Prevent the Probate Process**

One of the highlighting feature of a living trust is that it saves your family and beneficiaries from going through the costly and taxing probate process. However, you need to make sure your assets and property are properly titled. Generally, estate of an individual goes through probate for three main reasons: your living trust has not been written properly; the assets weren’t transferred compelled into it; the living trust is not revocable. It is best that you work with an experienced estate planning attorney to understand the right way of creating a living trust to avoid the probate process.

1. **You Lose Control Over your Assets and Property**

Some people think that by creating a living trust, they are giving up their authority over their assets and property. However, if you name yourself the trustee, you will still have complete control, with the ability to sell or buy assets. You can even cancel or change your living trust whenever you want. In case you become physically or mentally incapacitated, you can name the person you think can effectively manage your assets on your behalf.

1. **You will have to File a Separate Tax Return**

That is not true. As long as you are alive, you will file your tax return using the same Social Security number that you have. This is because the IRS treats a living trust as a non-event that can be terminated at any time, hence creating a separate tax ID is not viable. Only when you die and the trust still continues, it will require a separate tax ID number for filing tax return.

1. **You have to Pay Trustee Fees**

Yes, you have to pay fees to designated trustee, but if you are the trustee of your own living trust, it is commonsense that you will not be paying yourself for its management. Generally, people designate one of their family members to serve as a trustee and they often deny taking a fee. However, if you appoint a professional trustee, only then you will have to pay management fees, which is usually a certain percentage of the total trust assets.

**Consult With An Elgin Real Estate Attorney Today**

Creating a living trust can be prove to be great for your estate plan, as it offers many benefits to you, as well as your beneficiaries. However, it is best that you consult your specific situation with an experienced [estate planning attorney](http://www.jalawgroup.com/estate-planning-attorney-elgin-il/) to help you create a well-rounded estate plan. [Contact](http://www.jalawgroup.com/contact/) the Jackson Abdalla Law Group today at (773) 550-3853. We serve clients in and around Elgin, South Elgin, St. Charles, Bartlett, Streamwood, and Carpentersville.