

Merrill Lynch Special Needs Planning Series:

Is a Special Needs Trust Right for your Child?

Transcript
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*Merrill Lynch Wealth Management Bank of America Corporation.
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Merrill Lynch Special Needs Planning Series *Is a Special Needs Trust Right for your Child?* This excerpt from a recent Merrill Lynch hosted seminar on Special Needs Planning, in partnership with Exceptional Parent Magazine, explores: *Is a Special Needs Trust Right for your Child?*

MR. REDMOND: Bernie, [**Lower 1/3: Dwayne Redmond, Director, Field Marketing, Merrill Lynch**] how do you know if a trust is right for your special needs child?

MR. KROOKS: One size doesn't fit all, Dwayne. [**Lower 1/3: Bernard A. Krooks, J.D., CPA, LLM (in taxation), CELA, Founding Partner, Littman Krooks LLP**]

You really have to sit down with the family, spend the time listening to them, and we find that many attorneys are guilty of talking too much. But that doesn't work, here. You've got to let the family tell the story, because each situation is unique. Once you understand the nuances-- and it's not just about numbers, and financial matters. It's about social and emotional feelings, as well, because these feelings can become deep-rooted. If you're dealing with older siblings, and they're concerned that they're going to be the ones that are going to have to take care of their younger sibling, that's going to factor into who should be the trustee of a trust. Who should be the guardian?

So once you've got the picture down, and you understand what's going on, then, and only then, are you in a position to recommend an estate plan. And in many cases the estate plan that lawyers recommend includes, in some form or another, a special needs trust. Now, this is not something you go on the internet, and download, and then write your name in. The stakes are too high. Other than your own health, what's more important than making sure your family is provided for? So this requires an investment of time, and effort, to make sure it's done right. But a trust is a complicated vehicle for most families. Most clients, when they come in, they don't all ready have a trust, they've never dealt with a trust before. Many of them think that trusts are for wealthy people, and not for middle class people. And that couldn't be further from the truth; because there are different kinds of trusts, and one of them is a special needs trust. And in fact, Congress enacted a law in 1993 codifying special needs trusts for middle class people,

that allows them to get government benefits, and keep this money in a trust fund, if it's done properly.

(Start fading in the music)

So a special needs trust is just one component of an overall estate plan, and you have to make sure that you get the proper trust, and you get the proper advice from your team of advisors.

Merrill Lynch Special Needs Financial Services

Focused solutions. Extensive products and services. Dedicated resources for individuals and families of children with special needs. To learn more visit:

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