



BEQUESTS & LIVING TRUSTS - FACT SHEET

While there are many ways to establish a lasting legacy with the Fellowship Community through your estate plan, the most common method is to simply name the Rudolf Steiner Fellowship Foundation as a beneficiary in your will. The following provides an overview of the nature of a will and its importance to you and your family.

What is a will?

A will is a legal document expressing your final wishes for all property you own upon your passing. Your will should also include your choice of who is to be responsible for ensuring that the wishes expressed in your will are fulfilled. This chosen person is commonly referred to as the executor, executrix or personal representative.

For parents/guardians of minor children, a will allows you to direct the individual (or individuals) who is to serve as guardians of your children as well as who will be in charge of funds for the benefit of your children in the event of your passing.

What if you don't have a will?

Every state has legal provisions which, in the absence of a will, direct the distribution of a person's property upon their passing. This is termed dying "*intestate*" or without a will, and requires a state court to appoint an administrator to oversee the distribution of your estate.

While these provisions vary from state to state, they generally call for closest relatives to receive property owned in your name. For example, a state intestacy law may call for a surviving spouse to inherit 50% of his or her spouse's assets and the children of the decedent (the one who passed away) to inherit the remaining 50%.

Sometimes, a state intestacy law may accurately reflect your intentions (such as the equal division of your property among your children). Other times, the state laws may call for a distribution that does not reflect your wishes. Only a valid will, accepted by the courts where you are living when you pass away, will ensure that your final wishes are followed.

What is a valid will? Can I just write my final wishes in a letter?

While some states accept "*holographic wills*" – which means a handwritten will – it is strongly recommended that a competent estate planning attorney be consulted. Not all states accept *holographic wills*. Even in states which do recognize *holographic wills*, you may be unaware of

certain requirements that would invalidate your *holographic will* such as the requirement that the entire holographic will be only in your handwriting.

It is never a good idea to create your own will, even if you use a special will form or computer program. Every state has differing requirements for a valid will. Missing even one of these can invalidate your will. The best and most secure method to ensure that your wishes are followed after your passing is to use an attorney to draft and help execute your will. The cost may not be as much as you think and it will give you peace of mind that your legacy will truly be fulfilled.

What about living trusts? Aren't they better than wills to avoid taxes and probate?

As mentioned above, a will governs all property owned at death. What if most of your property has been transferred in title to a living trust? A living trust is a trust that is used to hold property while you are alive and may call for distribution to various individuals or charitable organizations upon your passing. Since the trust owns your property upon your passing, your will does not govern the distribution of assets in your living trust.

What are some of the advantages of a living trust?

A living trust can be very useful for several reasons. While alive and well, individuals typically manage their own trusts. Should a disability arise, the trust will include a named individual who can step in to serve as trustee and manage your trust's assets immediately. Additionally, upon one's passing, all assets in your living trust can be transferred to intended recipients without court supervision or public proceeding (the process known as probate – which can be costly and slow). This means that the final distributions are kept private.

Simply establishing a living trust does NOT itself save on estate taxes. Tax planning can be accomplished using a living trust, however, and a good estate planning attorney can offer advice in this area. Without special tax planning, all assets in a living trust, as well as other assets passing by means outside of your will (such as life insurance payments), are part of your taxable estate.

Charitable bequests

In recent years, over \$20 billion dollars a year has been received by non-profit organizations like the Fellowship Community through realized charitable bequests. A charitable bequest is when your will includes one or more charitable organizations as beneficiaries of your estate. Rudolf Steiner Fellowship Foundation can be named in your will to receive a specific dollar amount (specific bequest) or be named as the beneficiary of a portion of your estate. The ***Fellowship Community Legacy Circle*** recognizes those individuals who have remembered the Rudolf Steiner Fellowship Foundation in their estate plans.

To learn more about our Planned Giving program and Charitable Gift Annuities please contact Carol Avery, Development Manager at carol.avery@fellowshipcommunity.org or 845-356-8494 ext. 1131.