



## **10 of 28 Common Mistakes Families and Advisors Make in Special Needs Trusts and Planning**

1. Fail to ask every client, "Are you now or will you be financially or personally responsible for a person with special needs?"
2. Try to create their own version of a Special Needs Trust.
3. Do not specifically exclude, without disinherit, the person with special needs by name from Wills and Trusts.
4. Think that excluding the person with special needs from wills and traditional trusts is sufficient planning.
5. Exclude person with special needs and give money to others for their care.
6. Give the person with special needs authority in trust provisions, (ie. change trustees and remainderman, request reports, and include the "Crummey" Trust withdrawal provision).
7. Coordinating the plan with other advisors (legal, financial, tax, insurance, and government agencies) is not addressed.
8. Not familiar with the different types of Special Needs Trusts and the appropriate circumstances or need for their use.
9. Fail to change beneficiaries on their life insurance, pensions, annuities, etc. and do not transfer assets into their traditional Revocable Living Trust.
10. Include language in the Special Needs Trust such as "support and maintenance" and "food and shelter," that can adversely affect government entitlement amounts, benefits, and eligibility.



Phone: 818-231-6759 - Toll Free: 888-447-2525

Email: [David@SerenitasSNP.com](mailto:David@SerenitasSNP.com)

[www.SerenitasSNP.com](http://www.SerenitasSNP.com)