

## Protective Trusts in Wills

Being a parent or carer is a big job. If you have a child or relative who has special needs, the job is even bigger. Your role in their lives is critical and you are anxious to ensure that protective measures are put in place for them when you're no longer there.

Putting a protective trust in your Will can greatly benefit people who cannot adequately look after their financial affairs. A protective trust in your Will may be appropriate for beneficiaries who:

1. are severely disabled
2. have a disability, although not severe, which impacts on their ability to look after their affairs (for instance, autism, aspergers, etc)
3. have an addiction (e.g. gambling, drugs)
4. are bankrupt, or are in danger of becoming bankrupt
5. are otherwise 'vulnerable' (eg spendthrifts, easily influenced, etc)



Placing a testamentary trust with protective provisions in your Will means that you can benefit that person, but give control of the 'purse strings' to another person or entity (or shared control with the beneficiary) to ensure that the inheritance you are giving is used and maintained for that person. You can also state that after the beneficiary's death, the trust fund will be distributed to other beneficiaries that you specify.

For more information on Testamentary Trusts, see our [Testamentary Trust Fact Sheet](#).

If you have a severely disabled child or relative, we will discuss the option of establishing a Special Disability Trust. One key advantage of this trust is that assets held by it up to a certain threshold are immune from the Centerlink income and assets tests. The trust is governed by various government rules and regulations however, which need to be discussed with you to ascertain whether the trust is worthwhile.

This is a sensitive and complex area where you need the full attention of a senior estate planner to talk through the issues.

To find out more or to make an appointment,  
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