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Estate Planning: Documents, Descriptions, and Terms
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The **Estate Planning** Team, Attorneys, Financial Advisors, and CPA's use names, descriptions, and terms in legal documents. They are familiar with these terms, but most clients, prospective clients, and the public in general are not. Here are some terms that are examples:

1. Administrative Trustee or Directed Trustee.
A fiduciary responsible for the compliance aspects of a trust, but not responsible for investing the assets.
2. Buildup Equity Retirement Trust or BERT or Spousal Limited Access Trust or SLAT or Family Bank Trust or Lifetime QTIP Trust.
Some take advantage of the IRC Section 2503(b) annual gift exclusion (\$13,000 in 2012) and others the IRC Section 2010(c)(3)(A) basic exclusion amount (\$5,120,000 in 2012), but all of these trusts are designed for the grantor to make irrevocable gifts during a lifetime to spouse or other family members to keep wealth in the family.
3. Bypass Trust of Family Trust or Credit Shelter Trust or "B" Trust or Decedent's Trust.
The trust that accepts an amount of assets up to the basic exclusion amount at the grantor's death.
4. Contribution Trust or Tragedy Trust or Memorial Account.
A venue through which disparate strangers may gift money for the benefit of someone who has suffered a (usually public) misfortune.
5. DSUE or Inherited Exemption Amount or Deceased Spousal Unused Exemption Amount.
The amount of exclusion left over by a deceased spouse that a surviving spouse may use to increase his/her exclusion at surviving spouse's death using the concept of "portability."

NOTE: The hiring of a lawyer is an important decision that should not be based solely upon advertisements. The information contained within this website and blog in no way constitutes an attorney client relationship, nor should the content be misconstrued as legal advice.

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6. Dynasty Trust or Generation Skipping Trust.
A trust that is designed to last for multiple generations of beneficiaries.

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7. Executor/ Executrix or Personal Representative.
Fiduciary appointed by the court to be responsible for probate activities of an estate.
8. Grantor or Trustor or Settlor or Trustmaker.
Person who creates a trust.
9. GST or GSTT or Generation Skipping Transfer Tax or Generation Skipping Tax.
A federal excise tax on the privilege of transferring wealth to someone who is related to the donor as a “grand” or someone unrelated who is 37 ½ years or more younger than the donor.
10. ILIT or Irrevocable Life Insurance Trust.
A trust used to keep the proceeds of life insurance from being counted as part of the owner’s estate.
11. Inter vivos or Lifetime or Living.
Occurs during person’s life; often used in the combination with the word trust; i.e. an “inter vivos trust” is a trust set up while a grantor was alive.
12. Lady Bird Deed or Enhanced Life Estate Deed or Transfer in Death Deed.
A document used to transfer, outside of probate and trust, title to an asset via operation of law after the owner’s death, yet allowing the donor to continue to use and control the asset for life.
13. QTIP Trust or Marital Trust or “A” Trust.
A trust for the benefit of the surviving spouse; corpus remaining in the trust at surviving spouse’s estate.
14. Residence or Dwelling
Where someone maintains a home, but not necessarily where someone is domiciled. For example, someone may have residences in Florida, New York, and London, but be domiciled in Florida.
15. Revocable IRA Trust or IRA Beneficiary Trust or IRA Protection Trust or IRA beneficiary Protection Trust.
A trust that is designed to be named as the designated beneficiary of a decedent’s IRA, that allows the corpus to continue to be invested on a tax-deferred basis, yet the required minimum distributions qualify to be calculated based on the life expectancy of the human beneficiary (stretch-out).

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16. RLT or Revocable Living Trust or Loving Trust or Living Trust or Probate Avoidance Trust.
A trust created during the grantor’s lifetime that is a vehicle through which the grantor’s assets will be handled during the grantor’s life and after grantor’s death.
17. Shark-Fin Charitable Lead Annuity Trust or Shark-Fin CLAT or Balloon CLAT.
A non-grantor charitable lead annuity trust in which the charity receives small payments until the last year, when the charity is a paid a large amount.
18. Situs or Legal Home.
Where a trust’s property is deemed to be located.
19. Trust Advisor or Trust Protector.
An authority position in a trust that entails many of the powers to amend the trust that otherwise are reserved to grantor or by court approval. The holder of this position may or may not be considered a fiduciary.

Merrell Bailey, Mary. “You Can Call Me Ray, or You can Call Me J: Common Terms with Different Names.” Wealth Counsel. (2012): 4,11. Print.

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