

PLANNING FOR FINANCIAL NEEDS OF A SPECIAL DISABLED CHILD?

Protect the Future of Your Special Needs

Child Planning for your child is never easy, more so when you are not around. It is even more difficult if your child is a special child or disabled or suffering from a major illness. How can you ensure that your child will be taken care of when you are not around?

A special needs trust is a trust designed for beneficiaries with disabilities, either physically or mentally challenged. There are legal advantages of using a trust to hold and manage property intended for the benefit of the beneficiary if the beneficiary lacks the legal capacity to handle his or her own financial affairs.

When planning, you may wish to consider the few points below: -

- Who will take care of your child should you become critically ill or permanently disabled?
- Would your special child be able to fend for himself when you are no longer around?
- If your child needs constant medical attention or is suffering from a major illness, would your appointed Guardian have the time and resources to provide such attention considering that he/she is working or has a family of his/her own?
- Does your child need nursing care in the comfort of his/her home? How do you ensure there is continuous nursing care for your child upon your demise?
- How do you ensure your special child gets the proper medication, education and upbringing?
- What is the cost to take care of a special child?
- Is the Guardian able to provide full attention to a special child?
- Who will make sure the funds that you have allocated for your child is well managed?
- How can you ensure the assets you have set aside for the child are not abused by unscrupulous third parties?
- How do you make sure that your other children are not over-burdened with caring for the sibling with special needs?
- What is fair in terms of distributing your estate between your child with special needs and your other children?

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SPECIAL NEED TRUST

Be empowered with Special Need Trust, a special service by NexGen Estate Planners where you can plan now for your special child's health, maintenance and education.

By spelling out your requirements in the trust deed, you will have the assurance that your instructions will be carried out.

Who Will Care for Your Child If You Are Unable?

It is difficult to think about who will care for your child if you are unable to do so yourself. But it is even more difficult if your child has a disability. Parents of special needs children should take extra care in choosing a guardian. Depending on the degree of your child's disability, he or she may have greater needs and require special care and attention through adulthood.

If you do not designate a guardian for your child, the court will step in and appoint one. Take control of this decision. You know your child and his needs better than anyone. The choice of who to designate as guardian should not be taken lightly. You need to consider not only your child's special needs, but also the individual circumstances and personality of your designated guardian and his or her own family structure. You should choose someone who will have the time, patience, and love to give your child the special care he requires. It is also important that you talk with the relative or friends you choose to make sure that they are willing and able to except this responsibility if a tragedy occurs.

Additionally, you should talk with other family members and let them know why you chose the person you have chosen.

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How Special Child Needs Trust Works?



We can help you decide what assets would be appropriate to include in the Trust, be it insurance policies, cash or properties. Decide how the benefits of the Trust are going to be given to your child how the assets are to be managed, how the income from the Trust is to be utilized, method of payment, commencement of payment.

Upon the happening of an event, for example your demise, the Trust Fund will be utilized for the child according to your instructions.

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Who Should You Trust to be the Trustee?

The Trustee's job is not to provide money whenever the beneficiary wants it, but rather to only give out funds when they are to be used for services under the terms laid out in the Trust. In other words, the Trustee has all the power. Thus, it is important to have a Trustee that knows the person's needs, knows the laws relating to Special Needs Trust, and knows how to budget, invest and keep accurate accountings of the funds.

Often, this means that the Trustee is a professional. Having a professional can increase the annual fees; however, it is important to ensure the funds are being managed properly for the benefit of the person with a disability.

Keeping a family member involved

To ensure the person's needs are being met, usually a family member will serve as a co-Trustee with a professional. However, this can create problems if there is a disagreement in how to manage funds. Thus, it is important to spell out in the Trust document how the relationship between co-trustees will work.

The Trustee should know the child and the needs

It is also important to choose a person that has the child's best interest in mind and who knows what the child's needs are. As the person ages, his or her needs may change so it is important for the Trustee to be aware of the person's condition and future needs.