

Fast Facts on Special Needs Trusts (SNTs)

A special needs trust (SNT) is a trust used to keep benefits of the person with disabilities, or *beneficiary*, safe. Examples of potentially protected benefits include those from SSA, HUD, and Medicaid. In many cases, assets in the trust are not counted against the person with the disability that could render the person ineligible to receive benefits. A *trustee* makes distributions in a way that does not affect the beneficiary's benefits. These assets are then available to supplement the beneficiary's care or services, which are not provided by public assistance programs.

A SNT may be funded by someone else's money (parent's money, inheritance, etc.), or through the beneficiary's funds or assets.

It is important to consult with a qualified attorney to set up the SNT. If the trust is set up improperly, assets may affect benefits.

Areas typically included in SNTs...

Declaration of Trust; appointment of Trustee and Successor Trustee(s)	Definitions; Purpose and Intent of Trust; Assets of the Trust
Amendments	Medicaid reimbursement
Provisions tailored to beneficiary; Spendthrift clause	Family/Home Living Arrangements
Ultimate distribution	Powers and duties of Trustee; Removal of Trustee
Tax provisions; generation skipping	Advisory Committee/Trust Protector
Misc; signatures and attachments	

Recommendations

1. Who will be the trustee?
2. Who will help me set up the SNT?
3. How will the SNT be funded?

For more information

Hope for Tomorrow www.kyhope.org
 Kentucky Bar Association www.kybar.org
 Special Needs Alliance www.specialneedsalliance.com
 Kentucky Autism Training Center www.kyautism.com