



Trust Services

for individuals with a disability



What is a special needs trust?

A special needs trust is established for the **sole benefit** of the individual with a disability. It is a financial planning tool for individual, family or others to plan for the future.

A special needs trust can help supplement basic needs, and provide financial support for important services to improve the Beneficiary's life.

How is a special needs trust funded?

- Social Security back payment
- Inheritance or life insurance proceeds
- Personal injury or other legal settlement
- Gifts or conserved funds

How can trust funds be used?

Special needs trusts can be used for clothing, dental care, medical expenses, entertainment, travel, and personal needs that are not covered by public benefits.

Federal requirements prohibit use of trust funds for rent/mortgage payments, basic utilities, groceries, or cash paid to the Beneficiary.

Establishing a trust

A special needs trust may be open with the Beneficiary's own assets or a family member's (donor) assets.

At MSNT a trust sub-account can be opened with a minimum \$500 deposit, plus an enrollment fee based on a sliding scale.

Types of trusts

- ▶ **FIRST PARTY** - Irrevocable
Parents, grandparents, guardians, the court or the individual with a disability can create a trust with funds belonging to the individual with the disability.
- ▶ **THIRD PARTY** - Revocable
Parents, grandparents, or other family members (donors) can create a trust with funds that are not those of the individual with a disability.
- ▶ **INACTIVE** - Irrevocable/Revocable
To be funded at a later date. This option helps parents and grandparents establish a plan for the child's future. After enrollment, an inactive trust has no fees until funded. It takes \$200 to set up this type of trust.



Midwest Special Needs Trust

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CONTACT US

Trust Specialists are available to assist you through the process of opening a trust sub-account with Midwest Special Needs Trust.