Information NOW
Information for people in Newcastle upon Tyne

Trusts

What is a trust?

A trust is a legal arrangement where you give your money, property or investments to someone else (a trustee) so they can look after your assets for the benefit of a third person (the beneficiary). For example, you could put some of your savings or property in a trust for your children or grandchildren.

Trusts are complex legal arrangements. If you decide to set up a trust you will need a trustee to look after the trust for you.
Money Helper have a more information on Trusts and being a **trustee**.

It can be expensive to set up a trust and so independent advice is essential to make sure that a trust is the right option for you.

Can a trust help me avoid paying for care?

Not necessarily. Some companies may offer to protect your property by setting up a trust for you. This is usually an expensive legal agreement. Many local authorities still take any property or money that you have given away into consideration when working out how much you will pay towards your care fees, even if it's no longer in your possession. For more information please visit Paying for Care **Deprivation of assets**.

Your care fees will be means tested. All of your assets (property, money and investments) will be taken into account. If you have assets of more than £23,250 you will need to pay towards your care until your resources run out. You can find more information on Information Now on **Paying For Care** and **Your Care: Financial assessments**.

You may be at risk if you need to pay for your care and have given away your property or money. This could also lead to difficult conversations with the beneficiaries of your trust.

Can a trust help me to avoid paying inheritance tax?

When you put money or property in a trust, you no longer own it and it may not count towards your Inheritance Tax bill.

Visit our section on tax for more information on **inheritance tax**

Money Helper have more information on Trusts and how they may affect your inheritance tax.

Please seek legal advice

You should seek **independent legal advice** if you are thinking of setting up a Trust.

Solicitors for the Elderly is an independent organisation that can help you find lawyers, such as solicitors, barristers, and legal executives who provide specialist legal advice for older people in your area.

Other Useful Information

Deprivation of assets in the means test for care home provision – Age UK factsheet

The means test and your property – Age UK factsheet

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Useful Organisations

Solicitors for the Elderly

Email: admin@sfe.legal

Website: www.sfe.legal

Telephone: 0844 567 6173

Address: Studio 209, MillStudio Business Centre, SG12 9PY

Age UK England

Email: contact@ageuk.org.uk

Website: www.ageuk.org.uk

Telephone: 0800 678 1602

Address: Age UK, EC3N 2LB

Money Helper

Email: pensions.enquiries@moneyhelper.org.uk

Website: https://www.moneyhelper.org.uk/en

Address: Holborn Centre, EC1N 2TD

PayingForCare

Email: enquiries@payingforcare.org

Website: www.payingforcare.org

Address: Regent House, RH1 1QT

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