2026 · COMMON TRUSTS

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	REVOCABLE LIVING TRUST	MARITAL TRUST ("A" TRUST)	BYPASS TRUST ("B" TRUST)	SPOUSAL LIFETIME ACCESS TRUST (SLAT)	QUALIFIED TERMINABLE INTEREST PROPERTY TRUST (QTIP)
DESCRIPTION	This trust is primarily used for avoiding probate and keeping one's financial affairs private.	This trust is primarily used for taking advantage of the unlimited marital deduction and allowing assets to pass to a surviving spouse without triggering any immediate estate tax issues.	This trust is primarily used for removing assets from the first spouse's estate (i.e., using up their own exemption amount) to ensure that they are not included in the taxable estate of the second spouse.	This trust is primarily used for removing assets from one spouse's estate (for avoidance of estate taxes) while still giving their beneficiary spouse access to the trust for financial support while they are still alive.	This trust is primarily used in blended families (e.g., multiple children, 2nd marriages, etc.) to ensure the grantor can still financially support their spouse without disrupting their ultimate plans for passing on the assets.
TRUST FORMATION	Living	Living or Testamentary	Living or Testamentary	Living	Living or Testamentary
TRUST MODIFICATIONS	Revocable	Irrevocable	Irrevocable	Irrevocable	Irrevocable
TRUST TAXATION	Grantor	Grantor, Non-Grantor (Simple), or Non-Grantor (Complex)	Non-Grantor (Complex)	Grantor	Grantor or Non-Grantor (Simple)

	GRANTOR RETAINED TRUST (GRT - GRAT OR GRUT)	INTENTIONALLY DEFECTIVE GRANTOR TRUST (IDGT)	IRREVOCABLE LIFE INSURANCE TRUST (ILIT)	SPECIAL NEEDS TRUST (SNT)	QUALIFIED DOMESTIC TRUST (QDOT)
DESCRIPTION	This trust is primarily used for removing assets from the grantor's estate (for avoidance of estate taxes) while still providing an income stream to the grantor while they are still alive.	This trust is primarily used for removing assets from the grantor's estate (for avoidance of estate taxes) while still allowing the trust to retain income (no distributions required) and allowing the grantor to pay the taxes at their own tax rates.	This trust is primarily used for removing a life insurance death benefit from the grantor's estate for purposes of avoiding estate taxes and providing immediate liquidity to the beneficiaries.	This trust is primarily used for holding and managing assets for a beneficiary with disabilities in a way that preserves eligibility for means-tested public benefits (like SSI and Medicaid) while still allowing trust funds to supplement the beneficiary's quality of life.	This trust is primarily used for taking advantage of the unlimited marital deduction and allowing assets to pass to a non-US citizen surviving spouse without triggering any immediate estate tax issues.
TRUST FORMATION	Living	Living	Living	Living or Testamentary	Living or Testamentary
TRUST MODIFICATIONS	Irrevocable	Irrevocable	Irrevocable	Revocable or Irrevocable	Irrevocable
TRUST TAXATION	Grantor	Grantor	Grantor or Non-Grantor (Complex)	Grantor or Non-Grantor (Complex)	Non-Grantor (Simple)

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	TRUST FORMATION	
	LIVING TRUST	TESTAMENTARY TRUST
WHEN IS THIS TYPE OF TRUST CREATED?	This trust is created by the grantor while alive.	This trust is created upon one's death via their will.
IS THIS TYPE OF TRUST SUBJECT TO PROBATE?	No	Yes
DOES THIS TYPE OF TRUST NEED TO BE FUNDED AND MAINTAINED (WHILE ALIVE) IN ORDER TO ACHIEVE ITS DESIRED RESULTS/OUTCOMES?	Yes	No

	TRUST MODIFICATION	
	REVOCABLE TRUST	IRREVOCABLE TRUST
CAN THIS TYPE OF TRUST BE MODIFIED OR REVOKED?	Yes	No
IS THIS TYPE OF TRUST INCLUDED IN ONE'S TAXABLE ESTATE UPON DEATH?	Yes	No

	TRUST TAXATION		
	GRANTOR TRUST	NON-GRANTOR TRUST (SIMPLE)	NON-GRANTOR TRUST (COMPLEX)
DOES THE GRANTOR RETAIN CONTROL OVER THE TRUST'S INCOME AND ASSETS?	Yes	No	
HOW MUST ANY TAXABLE INCOME GENERATED BY THIS TYPE OF TRUST BE HANDLED?	Any income generated is reported on the grantor's tax return, and is taxed at their personal tax rates.	100% of the income generated must be distributed to the beneficiaries, and is taxed at their personal tax rates.	Any income distributed to beneficiaries is taxed at their personal tax rates. Any income retained by the trust is taxed at the trust tax rates.
ARE DISTRIBUTIONS OF PRINCIPAL CAPITAL ALLOWED?	Yes	No	Yes
CAN THE TRUST MAKE CHARITABLE CONTRIBUTIONS?	Yes	No	Yes
IS A SEPARATE TAX ID/TAX RETURN REQUIRED?	No	Yes	Yes

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