

Preserve an Inheritance From Lawsuits

Q: My daughter will get a small inheritance from me. I want her to have full control and access over it. In my son-in-law's profession, however, there is a chance he could get sued. I just read an article that described a lawsuit involving an inheritance that was commingled into a marriage, and the people who sued received most of the assets. Can I prevent this?

A: Yes. There are several good protections you and your daughter can put into place.

The easiest, however, is for you to structure your estate plan properly.

Under the circumstances, you should consider leaving your daughter's inheritance to her in a manner that protects it from your son-in-law's lawsuits.

In your estate plan you should give assets to your daughter, but not directly. Instead, you need to leave them to your daughter in a trust for her. In doing so, you can appoint your daughter to have full control and authority over this trust. She may spend the money for any purpose she wishes.

Yet, your son-in-law's creditors will not have the ability to invade your daughter's trust money. Equally important, the inheritance for your daughter will be preserved for your grandchildren or other members of your family after your daughter's death.

There is every reason to do your best to ensure that your daughter's inheritance is lawsuit-proof as to any lawsuits against your son-in-law.

Speak with you estate attorney in order to carefully structure your daughter's inheritance. Your grandchildren are worth it.

Published March 2004 in *Blue Ridge Family Magazine*

Attorney Christopher Desimone is managing partner of Anderson & Desimone PC of Roanoke, Virginia. He focuses 100% of his law practice on estate planning. (540) 776-6434.