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## **Protect Your Legacy: The Key Benefits of Establishing a Trust**

Thoughtful estate planning today lays the foundation for lasting security tomorrow. One of the most effective tools available is a trust—a structure designed to protect assets, preserve wealth, and ensure your intentions are carried out long after you’re gone.

Whether your goal is to safeguard family wealth, provide for loved ones, or support meaningful causes, a trust offers flexibility, control, and peace of mind.

### **Protect Assets from Creditors**

A properly established trust can offer significant protection against creditors. Once assets are transferred into a trust, they no longer form part of your personal estate. This means that, in most circumstances, creditors cannot attach trust assets if you face legal action or insolvency.

Importantly, this protection can extend to beneficiaries as well—ensuring that their inheritance remains secure, even if they encounter financial difficulties.

### **Preserve Wealth Across Generations**

Trusts are a powerful way to maintain and grow family wealth over time. By placing assets within a trust, you can shield them from risks such as divorce, failed business ventures, or poor financial decisions.

This structure helps ensure that important family assets are preserved and passed on in a controlled and sustainable manner from one generation to the next.

### **Protect the Interests of Minor Children**

Leaving an inheritance directly to minor children can create practical challenges. In terms of the Administration of Estates Act, funds left to minors are typically paid into the Guardian’s Fund, where access is restricted and subject to administrative processes.

A trust provides a far more practical solution. By establishing a testamentary trust in your will, you can appoint trustees to manage and distribute funds on behalf of minor beneficiaries—ensuring their needs are met efficiently, from education to day-to-day care.

### **Reduce Estate Duty Exposure**

Estate duty can significantly reduce the value of an estate passed on to beneficiaries. In South Africa, estate duty is levied on estates exceeding R3.5 million.

By transferring growth assets into a trust during your lifetime, you can effectively reduce the value of your estate and limit estate duty exposure—allowing more of your wealth to benefit your loved ones.

### **Support Charitable Causes Effectively**

If philanthropy is important to you, a trust can ensure your legacy extends beyond your family. Trusts can be structured to support charitable initiatives in a sustainable and tax-efficient way.

In many cases, charitable trusts may qualify for favourable tax treatment, including exemptions from certain taxes, allowing your contributions to have a greater impact.

### **A Smart Estate Planning Tool**

Trusts remain one of the most versatile and effective instruments in estate planning. They offer protection, continuity, and control—helping you secure your legacy while providing for those who matter most.

If you're considering establishing a trust, professional guidance is essential to ensure the structure aligns with your goals and complies with current legal requirements.