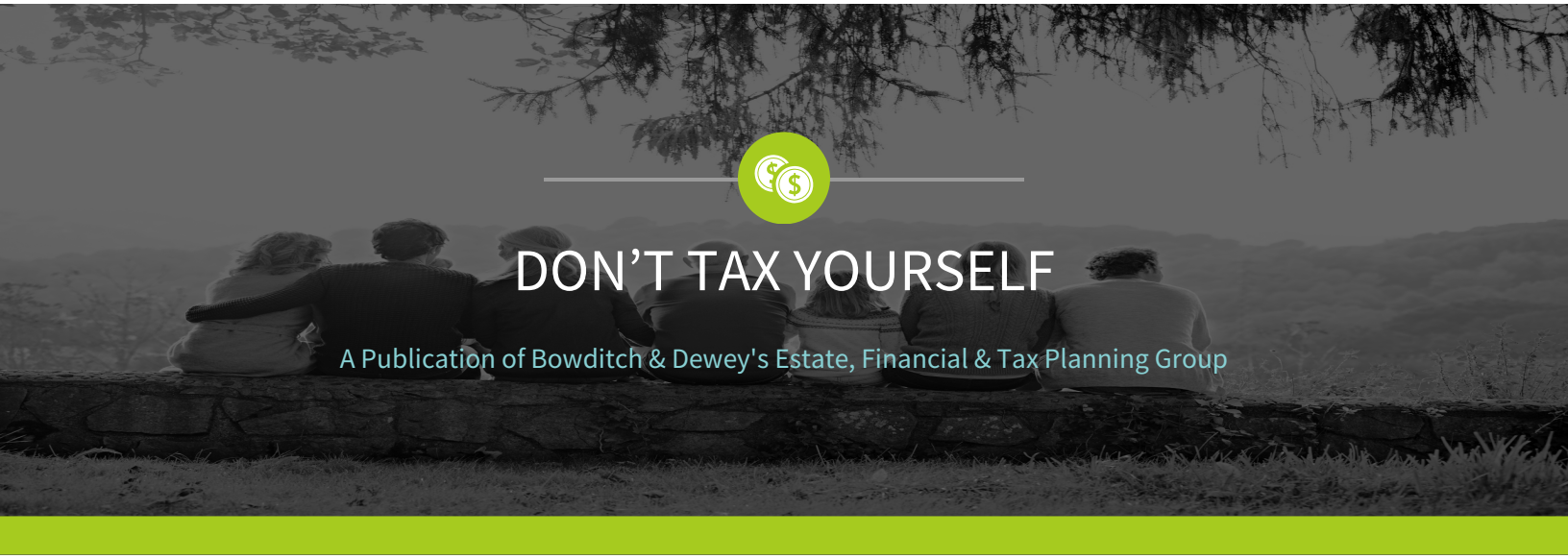


DON'T TAX YOURSELF

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Benefits of a Professional Trustee During the Great Generational Wealth Transfer

BY SCOTT C. CASHMAN • JUNE 16, 2025

As the population of the U.S. ages, we are in the midst of what some are calling the "great generational wealth transfer," and some studies are suggesting there could be over $100 trillion passing to the next generation over the next 25 years.

For many families, utilizing a trust is the best way to manage the transfer of wealth from one generation to the next, because, among other reasons, it provides creditor protection and estate tax advantages for the beneficiaries. If you choose the wrong Trustee, however, all your wealth planning could be frustrating. Tony Bennett's family learned the hard way that choosing a family member in the role of trustee is not always the best choice.

Tony Bennett's daughters allege mismanagement and other wrongdoing by their brother, D'Andrea "Danny" Bennett, who was the family trustee. Parents do not always see the flaws in their own children and that was true of Tony Bennett, whose son is alleged to have inappropriately enriched himself at the expense of his sisters. Giving one sibling control over the family's finances can (and often does) result in family disputes and mishandling of assets (depending on the character of the trustee and the relationship between siblings).

7 REASONS TO HIRE A PROFESSIONAL TRUSTEE

1. **Expertise & Experience** – a professional trustee will offer experience and expertise in trust administration.
2. **Unbiased Decision Making** – emotions often run high in families when financial assets or real estate are involved. Family conflict and sibling rivalry can hinder proper trust administration. A professional trustee offers neutrality and objective decision making without bias, which may help maintain family harmony.
3. **Continuity** – a professional trustee offers continuity of service and ensures the administration of the trust will not be disrupted due to age, illness, incapacity or death.
4. **Investment Expertise** – a professional trustee will make sure appropriate investments are chosen for the trust.

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Despite best intentions, a family member may be ill-suited or lack skill in making investment decisions.

5. **Estate Planning and Tax** – tax laws are constantly changing, and a professional trustee will be able to act in ways that minimize tax while also ensuring tax filing obligations are met.
6. **Legal & Compliance** – a professional trustee will ensure that all legal obligations of the trust are met. For example, a professional trustee will provide accurate accountings to the trust beneficiaries and prepare and file federal and state fiduciary income tax filings, as well as any required court filings.
7. **Peace of Mind** – one of the biggest reasons to hire a professional trustee is the peace of mind of knowing your legacy will continue uninterrupted.

At Bowditch, we have over a 100-year history of serving our clients' needs. Our trust administration services include a team of experienced attorneys, trust officers and tax professionals to manage your family's trust for generations.

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