



WHAT IS A LIFETIME MARITAL OR QTIP TRUST?

A Qualified Terminable Interest Property (“QTIP”) Trust can be established by you during your lifetime for the benefit of your spouse. No gift tax is imposed on the transfer of assets to a QTIP Trust because the trust qualifies for the marital deduction. While Lifetime QTIP trusts do not use gift tax exemption and therefore are not an effective vehicle for locking in the temporarily increased gift exemption, these trusts allow you to take advantage of your increased GST exemption in a manner that allows your spouse to continue to have access to the assets during the spouse’s life.