



WHAT IS A QPRT?

The Qualified Personal Residence Trust ("QPRT") can be an effective means of transferring one's residence to one's children or other beneficiaries at a reduced transfer tax cost: the owner of a personal residence transfers it to a trust, but retains the right to live in the residence for a specified period of years. At the end of that period of years, the children (or other designated beneficiaries) become the owners of the residence. Thereafter, the residence will no longer be a part of the former owner's taxable estate.