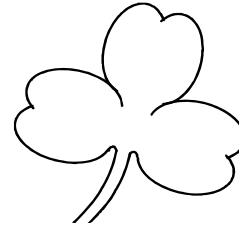




Happy St. Patrick's Day

Mesmer & Deleault, PLLC
41 Brook Street, Manchester, NH 03104
*Seacoast Office: One New Hampshire Ave., Suite 125
Portsmouth, NH 03801*



“Tip of the Month”

New Hampshire: The Trust State

Not all states are trust friendly. New Hampshire is – intentionally. In 2006, NH passed the Trust Modernization and Competitiveness Act. This provided a new level of flexibility not available in other states for trust administration. And NH continues to update its trust laws to evolve and improve. Among the benefits allowed:

- Asset Protection Trusts can prevent a grantor’s or beneficiary’s creditors from recovering in a claim against trust assets.
- Perpetual or “Dynasty” Trusts may continue indefinitely with no specific termination date.
- Trustee Modification is allowed to modify or “fix” a broken trust.
- Decanting allows a trustee to create a new trust and transfer assets from an old trust to the new trust to improve trust administration.
- Directed and Divided Trusts allow for investment and administrative duties to be divided among trustees, investment advisors, and fiduciaries.
- Purpose Trusts can have no specific beneficiaries or support a specific, non-charitable objective (such as managing a family asset).
- Waiver of the Duty to Diversify Trust Assets allows a grantor to modify or waive a trustee’s duty to diversify investments in the trust, such as by continuing to hold a concentrated stock position in the trust.
- Non-Judicial Settlement Agreements can resolve ambiguities in a trust by agreement of the parties in interest.
- “Quiet” Trusts can modify or eliminate statutory notice requirements.

NH became even more attractive in 2013 by repealing the interest and dividends tax on trusts. This has led as anticipated to an influx of trust companies and investment advisors into NH. Now thirty trust companies are chartered by the state, up from eighteen in 2006. It has also caused wealthy families nationwide to locate trust assets in NH.

If you need help with trust or estate planning, please contact the attorneys at Mesmer & Deleault by calling (603) 668-1971 or by email at mailbox@biz-patlaw.com.

Frank B. Mesmer, Jr.
Robert R. Deleault



(603) 668-1971

Fax (603) 622-1445

E-mail: mailbox@biz-patlaw.com

Website: www.biz-patlaw.com