

What's Involved in Futures Planning by Parents and other Relatives?

WILLS AND DIRECT INHERITANCES

- If a parent does not have a will, the Maryland law of "intestacy" governs and each child will inherit a portion of the parent's estate. A direct inheritance of more than \$2,000 will generally make a child ineligible for many important public benefits.
- If a parent writes a will, but formally disinherits a child in the will, no supplemental funds will be available to meet important needs that the child may have during his or her lifetime and that will not be covered by public benefits.
- A child with a disability cannot "disclaim" the amount due to him or her in order to become eligible for public benefits, meaning the child cannot say he does not want the money he is entitled to under a will or by law.
- There can be serious potential conflicts and problems if a parent leaves money to a sibling with the intent that the sibling will take care of the child with a disability.
 - There are no guarantees that despite everyone's best intentions at the time the sibling will comply with the parents' request.
 - The mixture of funds left in one child's name and designed to support that child and his or her sibling can create tension and conflict within families. It may cause a child to spend more or less than the parents intended on himself or on his sibling.
 - The sibling left with the money could die and any remaining funds would be distributed according to his/her will or under the laws of intestacy, which could leave the child with a disability with nothing.
 - In the event of a divorce, funds could be considered owned by the sibling holding the money. A surviving spouse could remarry and the funds may not even stay within your child's family.
 - A sibling could incur debts and lose the money to creditors or the money could be subject to a legal judgment if the sibling is sued.

For more information on topics discussed in this fact sheet, contact
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