



Uvalde Families:

Now that your representation has concluded, SALSA staff and volunteer attorneys wish you the best and hope that the services that were provided to you in creating the trust made your lives easier. As you move forward, there are some things you should remember.

First, a trustee has certain duties to protect the assets of the trust for its beneficiary and to only use those funds for the benefit of the beneficiary. You can read more about these duties and responsibilities in your trust agreement and in the "Guide for Trustees" document referenced below. Please remember that SALSA and your pro bono attorney do not represent you as the trustee moving forward, so if you need legal advice about managing the trust or otherwise, you may need to hire an attorney or find other available legal services.

Second, it is important to remember that when a trustee takes money from the trust account, this money COULD cause a variety of consequences; these may include tax consequences, impact on HOUSEHOLD income that could affect eligibility for public benefits like SNAP and Medicaid, and more. You should remember to consider all of these factors before withdrawing or spending funds from the trust.

To help you navigate some of these issues, we've included documents that may be useful for you to refer to as you determine whether to make a disbursement for the child as well as a few helpful suggestions.

Preventative suggestions:

1. Always make sure that the payments that are being made to the child out of the trust comply with the trust requirements.
2. Consider making payments directly from the account to the third-party vendor who is providing the service so that the household is never in receipt of income from the trust (for example, a check directly from the trust account to a hospital, counseling service, or school).
3. Remember that income earned by the trust may be taxable and that a trustee is usually required to file a separate income tax return for the trust. This is generally on IRS Form 1041, which you can read about here: <https://www.irs.gov/forms-pubs/about-form-1041>.
4. If you have any concerns about losing public benefits because of a trust disbursement being treated as income, immediately contact Texas RioGrande Legal Aid at their office located at 200 Evans Street, Uvalde, TX 78801 or by phone at (956) 996-TRLA (8752). The Public Benefits Team may be able to assist you.

Helpful documents included with this letter:

1. Texas Health and Human Services has published a "**Donation Policy for Public Assistance Programs**" that provides an overview of how donations impact public benefits in Texas. This includes how disbursements from irrevocable trusts impact TANF/SNAP/Medicaid/CHIP.
2. Texas RioGrande Legal Aid created a "**Guide for Trustees**" to help explain the duties and responsibilities of a trustee, including duties to file tax returns and rules for what is an acceptable expense under the terms of the trust.

If we can be of service in the future, please contact us through our website at www.sa-lsa.org.