



Map. The Guide to Social Development Policy

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Trusts

Trusts can affect the entitlement to a Funeral Grant. When you become aware of an involvement in a trust, eg if identified on the application form, you need to determine if there is any asset balance owed by the trust, or any continuing income from the trust for the following people:

- the deceased person (including a deceased child) **and**
- a surviving spouse or partner **and**
- the parents of a deceased child

Assets that have been fully gifted (given away with no balance still owed) in the past cannot be included in the asset test.

If the deceased person, the surviving partner, or the parents of a deceased child was receiving an income tested benefit or Extra help, details of the trust may already be held.

If details of the trust are not already held, the following information will be required.

Assets

Balances owed by a trust to the deceased person, the surviving partner or surviving child or children, or the child's parents are assets to be included in the asset test. These balances will show in the trust's financial statements if these are prepared or on the last Deed of Forgiveness of Debt (the form used to record when people give away their own assets).

Income

Details of any continuing trust income. If there is only a home in the trust, there is no continuing income. If there is an investment of any kind in the trust, find out what income, if any, will continue to be received from that investment.

Terminology used in trusts

Settlor - person who owned the asset/s and set up the Trust. Sometimes another person (eg solicitor or extended family member) acts as agent, and is named as Settlor. However, the true Settlor is the person who transferred, and may have gifted the assets to the Trust.

Transferor - the person who transfers and usually gifts away assets to the Trust.

Trustee - person who manages the Trust (generally at least 2 trustees).

Beneficiary - someone who is able to benefit from the Trust ie may receive income.

For more information see:

[Trusts overview](#)