

trusts that are prevalent. These other trusts are legally special trusts which exist for specific short terms with limited purposes and special duties and limitations placed upon the trustees.

1. Real estate trusts - Many states allow creation of land holding trusts for various purposes. The Illinois Passive Land Trust is one example. This trust is a special temporary trust created solely for the holding of title to land for a limited period. This trust has limited tax and control advantages.

2. Insurance Trusts - A trust may be made the beneficiary of a life insurance policy upon the death of the insured. The fund will then be administered for the benefit of the beneficiaries of the trust. These beneficiaries are usually the wife and children of the insured. Upon the death of the original trust beneficiary, usually the wife, the remaining trust funds are then distributed to designated parties, usually children. Tax savings are possible in the transfer from the husband to the wife, but the children must often bear the full brunt of taxation, when the remaining assets of the trust are transferred to them. Trustees of insurance trusts are almost always either banks or insurance companies.