



# Prepaid Funeral Trusts

Reducing financial stress at an emotional time.



Public  
Trust

## Make it easier for your loved ones and put money aside for your funeral today.

With a little forethought, you can plan for the funeral you want and ensure your loved ones won't be burdened by your funeral expenses. That way, your family can focus on a celebration of your life rather than worrying about how to pay for it.

## How much does a funeral cost?

Funeral costs generally start at around \$4,000 and can go up to \$10,000 or more depending on your wishes and budget.

Funeral expenses include items such as funeral direction and the registration of your death, the casket and hearse, the cremation or burial, the headstone or plaque, flowers, a minister or celebrant, an organist and newspaper notices.

# Why set up a prepaid funeral trust?

---

Just like taking out life insurance and preparing a will, a prepaid funeral trust is a great way to make it easier for your family and others to cope at a difficult time.

**With a prepaid funeral trust, you can:**

- > Put money aside specifically for your funeral arrangements
- > Ensure money is available immediately to ease the financial stress on your family
- > Keep up to \$10,000 exempt from asset testing for the Residential Care Subsidy.



# How a prepaid funeral trust works

---

## 1

### **You decide how much you'd like to contribute and complete an application form.**

You need to contribute a minimum of \$500 to set up the trust. After that, you or anyone else can make regular or one-off payments. The minimum regular contribution (paid by direct debit) is \$50 if you're paying once a fortnight or \$100 if you're paying once a month, every 4 weeks or every 3 months. You can also make one-off contributions of at least \$100 whenever you like, and if you stop contributions at any time, the balance is still available to meet funeral expenses.

We recommend that you update your will with details about the funeral you'd like to have.

## 2

### **Your funds are deposited.**

Your money will be held in Public Trust's Funeral Trust Cash Fund.

This fund is part of our Common Fund and is a portfolio investment entity (PIE).



### 3

#### **The trust takes care of the tax.**

A tax rate of 28% is paid on the interest earned from the funds held as PIEs (personal tax rates don't apply). Any interest earned (after taxes and charges) is automatically added to the funds held.

### 4

#### **You receive an annual statement to keep you informed.**

### 5

#### **Your money stays deposited in the trust until it's required to pay for your funeral expenses.**

The invoices for the funeral arrangements are sent to us, and we arrange prompt payment. Any leftover money is paid to your estate.

# Public Trust specialises in independent trustee services

---

## We will:

- > Listen so that we can understand what's important to you
- > Explain everything you need to know using simple language that's easy to understand
- > Be impartial and, as a trustee, follow the rules of the trust.

We've been helping New Zealanders for over 150 years. You can rely on us to be here when you need us.

## What does it cost?

You pay a one-off fee for setting up the trust, which is discounted if you already have your will and enduring power of attorney with Public Trust, and a closure fee that is charged at the end.

Please see [publictrust.co.nz](https://publictrust.co.nz) for more details.

Find out more at  
[publictrust.co.nz](http://publictrust.co.nz)



## We're everywhere you are.

Have any questions about what you've read? Don't hesitate to reach out - there are many ways you can contact us.

Whether you prefer chatting online or on the phone with one of our legal experts, meeting virtually or in person, we're ready to help. Call us at 0800 371 471 or visit [www.publictrust.co.nz](http://www.publictrust.co.nz) to book an appointment - either at your local centre or with one of our digital trustees. We'll walk you through the process.

