

"My child is turning 18 and has money with the Surrogate's Court but cannot manage his own affairs. What do I have to do?"

If your child has a disability and is turning 18 ...

- ◆ If your child is turning 18 and is not able to handle his or her affairs because of a disability, you may need to file a Verified Complaint to declare him or her an incapacitated. Guardianship for a minor automatically ends when the minor turns 18.
- ◆ You should seek the help of a reputable attorney to file the guardianship papers. If your child receives services from the New Jersey Division of Developmental Disabilities (DDD), you may use the self-help guardianship packet located at https://www.njcourts.gov/forms/10558_guardianship_person_and_estate.pdf
- ◆ This cannot be done until the child turns 18 when they are no longer considered a minor, under the laws of the State of New Jersey.
- ◆ If you need additional information on this matter, please contact us at (908) 527-4280.
- ◆ This matter will be heard before a Superior Court Judge, however, all papers and correspondence shall be filed with the Union County Surrogate, 2 Broad Street, Elizabeth, New Jersey 07207.

More Questions?

Call us at (908) 527-4280

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SOME THINGS YOU SHOULD KNOW

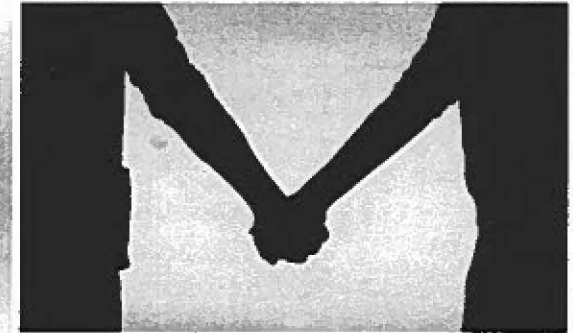
- ◆ When you complete your guardianship application, you will be given the current rate of interest given on the accounts for all minors and told which banks hold the money.
- ◆ You will receive quarterly statements from the bank. Make sure we are updated on any name, address or phone number changes.
- ◆ At the beginning of the year, the bank will mail you a 1099INT for tax purposes. Accounts are taxed on the interest only, not the principle.
- ◆ Taxes are to be filed separately for the minor. If the guardian provides a copy of the prepared tax form, the judge can issue an order withdrawing money from the minor's account to make payments.
- ◆ Before the money is released to the minor, the court is required to conduct a "Child Support Judgment Search" on each minor to determine if the minor owes back child support.
- ◆ Any documents such as birth certificates that are not in the English language must have a certified copy of the interpretation attached.
- ◆ Partial withdrawals are made only by court order for extreme situations, such as education or medical bills for the minor.
- ◆ When petitioning the court for a partial withdrawal, you must disclose an itemized list of all bills and income.



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Union County Surrogate's Intermingled Trust Fund



What happens with money that is inherited or is from a settlement for the benefit of your child?

This booklet will explain how your child's money is invested and dispersed according to the laws in the State of New Jersey.



**Union County Court House
2 Broad Street
Elizabeth, NJ 07207**

**Phone: (908) 527-4280
Fax: (908) 351-9212**

**www.ucnj.org/surrogate
E-mail: sbowers@ucnj.org**

- ◆ Settlements
- ◆ Education
- ◆ Estates
- ◆ Income Taxes
- ◆ Judgments
- ◆ Disability

When a minor in the State of New Jersey is awarded money from a settlement or judgment from an accident, the Court will usually order that the money be held by the Surrogate of that County for the benefit of the minor.

THE LAW DETERMINES HOW THE MONEY IS HANDLED.

When your child receives a settlement or an award in an accident case, the court will usually mandate that the money be held by the Surrogate in the county in which the minor resides. When this happens, the parent or responsible adult will have to apply for guardianship for the minor child in the Surrogate's Court. When you apply for guardianship, we require information about the child, including their birth certificate, a copy of their social security card and a copy of the judgment.

When the insurance company or attorney drafts the settlement check, it will be made payable to the Surrogate of that County, for the benefit of the minor child. The money is deposited into an interest bearing account in the name of the minor. The courts require the Surrogate to obtain proposals on interest rates on a regular basis, usually every one to three years. Your child's account earns interest while it is being held in our office.

OBTAINING FUNDS

You may petition the court for funds to pay for extraordinary expenses such as private education, medical bills or other necessities. You may also be looking for a special camp or tutoring for the child and most judges will allow you to obtain the funds for these purposes. However, normal living expenses are usually not allowed to be paid from a minor's account since, as the guardian, you are responsible for every day care and maintenance of the minor.

INHERITANCE AS A BENEFICIARY

If your child inherits money from an estate or is a beneficiary of a life insurance policy, this money may have to be deposited with the Surrogate. It would fall under the guidelines set up by NJ State Law.

REACHING THEIR MAJORITY

When the minor turns 18, he or she may come into the Surrogate's Office to have their funds turned over to them. They will need to present at least two forms of identification and their birth certificate in order to have the funds released. The Guardian may not sign for this money. The money must be received by the minor on or after their 18th birthday. If you cannot come into the office, please call us and we will tell you how to proceed.

DEPOSIT & INVESTMENTS

When minor receives proceeds of a judgment recovered in their favor in any court of this State, the court by its order may direct that funds paid be held by the Surrogate for the benefit of the minor. The money will be deposited in an interest bearing account with the Surrogate.

- ◆ Settlements from accidents
- ◆ Inheritance from a loved one
- ◆ Beneficiary on a life insurance policy

These may all be reasons your child has money that must be held by the Surrogate's Court. If this is the case, your money is well protected and will earn interest. The only way money may be removed from a minor's account is by filing a petition with the Surrogate. You may request the release of money for the benefit of the minor and a Superior Court Judge will determine if the request is approved.

If a petition is filed, the guardian will have to provide financial information regarding the request as well as their finances before the judge will review a petition. A petition may be obtained by calling your local Surrogate's Court.



James S. LaCorte
Union County Surrogate