



CHAPMAN LAW, PLLC
ESTATE PLANNING

So Now You Are a Trustee

**A Colorado guide for stepping
into a serious fiduciary role**

Your job is not just to distribute money. A trustee must preserve property, follow the trust, communicate with beneficiaries, keep records, and avoid conflicts.



A trustee is a fiduciary.
You are held to a high legal
standard of care under
Colorado law.



Before distributing trust assets, pause.

A trustee should first understand the trust terms, identify beneficiaries, confirm assets and debts, review taxes, keep records, and determine whether legal notices or accountings are required.

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This brochure provides general information only and is not legal advice. Reading it does not create an attorney-client relationship. Colorado laws change and every situation is different. You should consult an attorney about your specific circumstances. Last reviewed: May 2026.

THE TRUSTEE'S JOB IN 5 MOVES

1



Confirm Authority

Read the trust. Confirm whether you are legally serving. Identify co-trustees, beneficiaries, and whether the trust is revocable or irrevocable.

2



Secure and Separate Assets

Locate accounts, deeds, titles, insurance, tax records, and digital access. Keep trust property separate from your own.

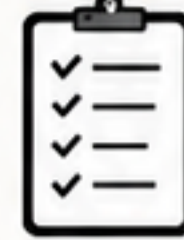
3



Notify and Communicate

Beneficiaries are entitled to appropriate information. Communication should be timely, accurate, and documented.

4



Inventory, Value, and Account

Build a complete list of assets, debts, income, expenses, and distributions. Keep receipts and statements.

5



Administer Before Distributing

Address taxes, expenses, creditor issues, trust instructions, and beneficiary circumstances before making distributions.



WHAT A TRUSTEE IS

A trustee is the person or institution responsible for managing trust property according to the trust agreement and Colorado law. A trustee is a fiduciary, which means the role carries legal duties and a high standard of care.



CORE FIDUCIARY DUTIES

- ✓ Follow the trust
- ✓ Act loyally
- ✓ Avoid conflicts of interest
- ✓ Treat beneficiaries impartially
- ✓ Preserve and manage assets prudently
- ✓ Keep trust property separate
- ✓ Maintain accurate records
- ✓ Communicate appropriately

YOUR ROLE CARRIES PERSONAL LIABILITY.



A trustee can be held personally liable for losses caused by breaches of duty, poor records, or improper distributions. When in doubt, ask for help.

KEY RESPONSIBILITIES

- Follow the trust terms and Colorado law
- Take control of trust assets
- Notify and inform beneficiaries
- Keep accurate records and accounts
- File required tax returns
- Pay valid debts and taxes
- Distribute according to the trust
- Provide accountings when required
- Prudent investing and risk management



WHEN TO CALL CHAPMAN LAW

Call before you:

- Distribute money or personal property
- Sell or retain real estate
- Pay yourself trustee compensation
- Favor one beneficiary over another
- Use trust funds for disputed expenses
- Ignore a beneficiary request
- File trust tax returns without advice
- Continue acting when there is a conflict
- Close the trust administration



RECORDS TO KEEP

- Trust agreement and amendments
- Death certificate or incapacity documentation
- Asset statements
- Deeds and titles
- Appraisals and valuations
- Bills and expenses
- Tax filings and returns
- Beneficiary communications
- Distribution receipts
- Trustee time records



GOOD PRACTICES

- ✓ Read the trust carefully
- ✓ Ask questions early
- ✓ Keep beneficiaries informed
- ✓ Act consistently and fairly
- ✓ Document decisions
- ✓ Keep trust property separate
- ✓ Review periodically
- ✓ Seek professional advice when needed



SERVING AS TRUSTEE IS AN HONOR—AND A LEGAL RESPONSIBILITY.

Careful administration today protects the trust, the beneficiaries, and you.

We are here to help you get it right.



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