Can a Trustee Be Removed or Replaced in New Jersey?

New Jersey Trust Lawyers Explain When Courts Remove a Trustee

Removing or replacing a trustee in New Jersey is a serious step, and state law spells out when a court can take it. A trust is a common estate planning tool that can protect a family's assets and help beneficiaries avoid probate, the court process for validating a will and settling an estate. A trust only works as intended when the trustee follows the rules.

A trustee is responsible for managing trust property, following the trust's instructions, and keeping beneficiaries informed. When a trustee ignores those duties, beneficiaries are often left wondering whether the trustee can be removed, who can ask for it, and what happens once a court gets involved.

At Williams Law Group, LLC, our New Jersey estate planning attorneys, including Renata F. Casella, help beneficiaries, co-trustees, and settlors (the people who create trusts) work through these disputes. We know what New Jersey law requires before a court will remove a trustee and name someone new, and that knowledge can make a stressful situation easier to manage.

Key Takeaways

- **Removal Requires a Legal Reason:** A New Jersey court will not remove a trustee simply because a beneficiary is unhappy with how the trust is being handled.
- **Several People Can Ask:** The settlor, a co-trustee, or a beneficiary may ask the court to remove a trustee, and the court can also act on its own.
- **Assets Can Be Protected Right Away:** While a removal request is pending, a judge can order relief to protect trust property and the interests of the beneficiaries.
- **A Set Order Fills the Vacancy:** New Jersey law spells out who takes over, starting with any successor trustee named in the trust document itself.

What Does It Mean to Remove a Trustee in New Jersey?

A trustee is the person legally responsible for managing trust property and carrying out its instructions. Removing a trustee means a court takes away that authority early, which is different from a trustee resigning or a trust simply reaching the end of its term.

New Jersey law addresses this process directly. Under New Jersey Statutes Annotated (N.J.S.A.) 3B:31-51, the settlor, a co-trustee, or a beneficiary may ask the court to remove a trustee, and the court can also act on its own initiative. An interested family member does not need every relative to agree before asking a judge to intervene.

Courts do not remove a trustee just because someone is unhappy with how things are being handled. There has to be a specific legal reason, and the person raising the issue needs facts and documentation to support it, because removal is treated as a serious step rather than a routine one.

Who Is Allowed to Ask a Court to Remove a Trustee?

New Jersey limits who can formally bring this kind of request. The settlor has legal standing, and so does a co-trustee currently serving alongside the trustee in question. A beneficiary named in the trust can also bring the request.

Even a beneficiary who holds only a future or contingent interest may be able to ask the court to intervene. This matters for families where a child or grandchild will not receive trust property for years, since that person is not left waiting helplessly while a trustee mismanages the fund.

The court itself can also remove a trustee without a formal request. This can happen when the issue surfaces during a related proceeding, such as a dispute over an accounting (a detailed financial report on the trust) or a related probate matter.

What Legal Grounds Justify Removing a Trustee?

New Jersey does not allow a court to remove a trustee for vague dissatisfaction. New Jersey's trust removal statute, N.J.S.A. 3B:31-51, incorporates the grounds for removing a fiduciary under N.J.S.A. 3B:14-21. These include misconduct, incapacity, failure to comply with certain court orders, and other circumstances that interfere with proper trust administration. Specific grounds for removal include:

- **Failure to Follow Court Orders:** Ignoring a judge's order to file an inventory, provide an accounting, or post security within the deadline the court sets can be enough on its own.
- **Embezzlement, Waste, or Misapplication of Trust Funds:** Using trust money for personal expenses, making careless investment decisions, or otherwise misusing trust property falls within this ground.
- **Abuse of Trust and Confidence:** Conduct that breaches the basic loyalty a trustee owes to beneficiaries can support removal, even when there is no outright theft involved.
- **Leaving the State and Neglecting Duties:** A trustee who moves out of New Jersey and stops handling trust responsibilities creates an independent basis for removal.
- **Incapacity:** A trustee who becomes unable to perform the duties of the position because of incapacity may be removed.

- **Non-Cooperation Among Co-Trustees:** When one of two or more trustees refuses to work with the others in a way that hinders administration, that refusal can justify removal.

These categories give beneficiaries a real, evidence-based path to removal. Complaints about a trustee's personality or investment style are not enough, so anyone considering this step should start gathering documentation early and tie it to one of these grounds.

Can a Trustee Be Removed Over Conflict With Beneficiaries?

Yes, in some cases. Serious conflict between a trustee and beneficiaries may support removal when it substantially interferes with the administration of the trust. Mere disagreements or personal hostility generally are not enough.

This standard exists for a practical reason. A trustee cannot manage a trust well while locked in a bitter dispute with the very people the trust is meant to benefit, so courts look at whether the conflict has genuinely disrupted communication, accounting, or distributions.

A beneficiary who disagrees with a reasonable investment decision, or with an unequal distribution the trust itself allows, will often not succeed on this ground alone. The hostility has to reach the point where administration is genuinely compromised, and a court will often ask who caused the breakdown before deciding what to do.

What Can a Court Do While a Removal Case Is Pending?

A removal case can take months to move through the New Jersey Superior Court, Chancery Division, Probate Part, which handles trust and estate disputes. Trust property can be at risk the entire time, and New Jersey law anticipates that problem.

While a removal request is pending, or in place of or in addition to removal, the court may order whatever relief is necessary to protect trust property and the beneficiaries' interests. That flexibility allows a judge to act before the final decision is made.

In practice, this can mean freezing certain trust accounts, requiring an accounting sooner than the trustee would otherwise provide one, or restricting the trustee's authority over specific transactions until the dispute is resolved. The goal is to prevent harm that cannot be undone.

How Is a New Trustee Chosen After Removal?

Removing a trustee creates a vacancy, but a replacement is not always necessary if another trustee remains in office. When a successor is needed, New Jersey law establishes procedures for filling the position. N.J.S.A. 3B:31-49 sets out a specific order for filling it, so the decision is not left to guesswork or family debate. The goal is to keep the trust running without interruption. For noncharitable trusts, the general order for selecting a successor is:

Order	Who Fills the Vacancy
First	A person designated in the trust's terms, including through a specified selection procedure
Second	A person unanimously agreed upon by the qualified beneficiaries
Third	A person appointed by the court

This order of priority respects the settlor's original wishes whenever possible while still giving beneficiaries and the court a clear path forward. A successor trustee takes on the full powers the original trustee held, so the transition should be handled carefully and documented in full.

What Should You Do if You Suspect a Trustee Is Mishandling a Trust?

Beneficiaries often sense that something is wrong well before they have enough proof for a court proceeding. Missed distributions, vague answers to financial questions, and unexplained changes to trust accounts are common warning signs worth writing down as soon as they happen.

A beneficiary can request an accounting directly, and that report often resolves confusion without any need for court involvement. A trustee who refuses to provide one, or whose numbers do not add up, may be creating evidence that can support a formal removal request.

A court will expect specific proof rather than general suspicion. Bank statements, written communications, and a timeline of missed obligations all become useful once a case moves forward, which makes documenting concerns early far more valuable than waiting.

Protecting a Trust When the Trustee Falls Short

Trustee disputes in New Jersey are often complicated by family history, competing memories of what the trust was meant to accomplish, and disagreements about how trust money is spent. These disputes rarely resolve themselves without someone stepping in to sort out the facts and enforce the law.

The estate planning attorneys at Williams Law Group, LLC help beneficiaries gather the documentation a removal case requires, and we help responsible trustees respond to accusations that do not hold up under scrutiny. We handle these matters throughout New Jersey, from an initial accounting dispute through a full court proceeding.

You do not have to sort through a trustee's conduct alone. Schedule a consultation with our team, and we can review your situation, explain your options, and help you create a plan that protects the trust and your family.