Estate planning: Time to act

Source: Steve Isaacs, UK agricultural economist

Getting the ball rolling on your estate plan or farm transition is one of the hardest things to do. Hopefully by now you have had meaningful conversations about your estate with your heir(s) and have assembled a team of professionals to help you with the transition. If not, you should do so before putting a plan into motion.

Work with your attorney to develop a will that reflects your wishes. Wills are the only way to guarantee a successful transfer of assets to your heir(s). Keep the will in a safe place and make sure your heir(s) know its location. After all the hard work you have put into developing a will, you do not want it somewhere that no one knows about and as a result, cannot produce it after you are gone.

Once your will is in place, now is the time to start incorporating your heir(s) into your business, if you have not already done so. Remember that leaders and managers are trained, not born. Now is the time to share your business’ financial records and status. If you work with the Kentucky Farm Business Management program, now is the time to introduce your heir(s) to your farm analyst. It is also a good time to start dividing your farm responsibilities with your heir(s) and fully bringing them into the operation. You may also encourage your heir(s) to take leadership and/or management classes. The University of Kentucky offers great professional development opportunities and resources for young farm managers including the Kentucky Agricultural Leadership Program, MarketReady Program, Center for Crop Diversification and the Kentucky Small Business Development Center. Kentucky commodity groups also offer ample opportunities for professional development.

It may be a good idea to start using a calendar or multiyear timeline to set specific goals and completion dates for action items in your farm transition. This can help keep you on track and will create an overall smoother transition.

Remember just because you have a will or farm transition plan in place, it is not final until you die. People and circumstances change. Revisit the plan every few years to make sure it continues to align with your and your heir(s) goals.

For more information on estate planning, contact the (COUNTY NAME) office of the University of Kentucky Cooperative Extension Service.

Educational programs of the Kentucky Cooperative Extension Service serve all people regardless of economic or social status and will not discriminate on the basis of race, color, ethnic origin, national origin, creed, religion, political belief, sex, sexual orientation, gender identity, gender expression, pregnancy, marital status, genetic information, age, veteran status, or physical or mental disability.

 -30-