Estate planning: Assembling the team

Sources: Steve Isaacs, UK agricultural economist

Successful estate planning and farm transitions do not occur overnight. They require thoughtful contemplation over a period of time, and in most cases, help from outside the farm.

To start a successful estate plan, you need to recruit professionals to join your transition team. Team members could include professionals, such as an accountant, attorney, financial planner, lender, extension agent and business consultant to successfully transfer your assets like land, machinery and management of your farm to the next generation. These team members can help you with technical support and advice as you begin to plan your estate. Here is a little more about each of these and the skills they bring to the table.

* Accountant- This person has a good idea of your annual tax obligations and farm’s financial state year-over year.
* Attorney- A lawyer can help ensure that your wishes are carried out in a legal manner through documents like a will. You do not want to work hard a plan that will not hold up in court, particularly if your wishes could be contentious.
* Financial planner- A financial planner can help you develop a plan to transfer your financial assets.
* Business consultant- A consultant can help you determine whether your business model is sustainable and ways to successfully transfer it to your heir.
* Extension agent- Your extension agent can serve as a person whom you bounce ideas off of. They can offer advice and ideas during the estate planning process.
* Lender- Your banker should be an important part of your estate planning process. This person understands your business financials and whether your business plan is sustainable. They can also help your heirs anticipate their borrowing needs. If you are a client of the Kentucky Farm Business Management Program, your analyst could also serve in this function.

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

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