

PLANNING FOR THE FUTURE OF YOUR FARM

Legal tools and strategies for farm transition and estate planning



THE PLANNING FOR THE FUTURE OF YOUR FARM BULLETIN SERIES

Farming takes planning. A lot of planning. Whether for next year's crop, expanding a herd, buying land, constructing buildings, starting a new venture, or upgrading equipment, farmers are nearly always engaged in planning to keep the farm on track. But farm transition planning—that is, planning for what happens to a farm business and its family from one generation to the next—is a whole different kind of planning. And it's one type of planning farmers often avoid.

Farm transition planning can be challenging and uncomfortable, perhaps because it involves dealing with death, uncertainty, and difficult family situations. But like planning for the next year of production, farm transition planning is critical to a farm's success. With good planning, a farm family can protect farm assets, implement family and business goals, and ensure a smooth transition of a viable operation to the next generation. It's the kind of planning that can pay off big.

Our **Planning for the Future of Your Farm** law bulletin series can help with this important planning need. In this series, we explain the legal tools used for planning and present strategies that can address a family's goals. The entire set of bulletins in this series is on the Farm Office website at go.osu.edu/farmplanning. We cover these same topics in our popular **Planning for the Future of Your Farm Workshop** offered online and in person each winter. Check the Farm Office website at farmoffice.osu.edu for workshop dates. Reading the series and attending our workshop are two important first steps that can lead to creating a plan for the future of your farm.

The authors of the Planning for the Future of Your Farm Series are **Robert Moore and Peggy Kirk Hall**, Attorneys with OSU's Agricultural & Resource Law Program, and **Evin Bachelor and Kelly Moore**, attorneys with Wright & Moore Law Co. LPA. We hope you will find the series helpful in your efforts to plan for the future of your farm.



WHAT'S IN THE PLANNING FOR THE FUTURE OF YOUR FARM SERIES?

1. **Farm Transition Planning: What it is and What to Expect**

The concept of farm transition planning, common terms, what farmers can expect from the transition planning process, and how to prepare for it.

2. **The Financial Power of Attorney**

A Financial Power of Attorney authorizes someone to make financial decisions for another. We explain the different types and how they can help a farm business.

3. **The Health Care Power of Attorney and Advance Directives**

Medical and end-of-life plans can ease decision making uncertainties for families. This bulletin explains the Health Care Power of Attorney, Living Wills, Donor Registries, and Funeral Directives.

4. **Wills and Will-based Plans**

A will is a commonly known tool for distributing property. This bulletin explains different types of wills and how they can be used in a farm transition plan.

5. **Legal Tools for Avoiding Probate**

We review legal tools that transfer assets upon death and avoid probate, including beneficiary designations, payable on death accounts, transfer on death designations, and survivorship deeds.

6. **Gifting Assets Prior to Death**

Gifting is one way to transfer assets to the next generation. In this bulletin, we discuss how gifting works and when it can be advantageous to incorporate gifting into a transition plan.

7. **Using Trusts in Farm Transition Planning**

Trusts are popular tools in farm transition planning. In this bulletin, we explain how trusts function and highlight how they can meet family and farm planning needs.

8. **Using Business Entities in Farm Transition Planning**

Many farms have business entities for liability or tax purposes, but business entities can also enable transition of a business to the next generation. We explain how in this law bulletin.

9. **Strategies for Treating Heirs Equitably**

Whether heirs should inherit assets equally or equitably is a challenging dilemma for parents. We present strategies for equitable distributions of assets in this bulletin.

10. **Strategies for Transferring Equipment and Livestock**

Equipment and livestock can be more difficult to transfer than other assets. In this bulletin, we review special considerations and strategies that can help minimize the challenges of these transfers.

11. **Strategies for Addressing Special Family Needs**

Whether a disability, substance abuse, gambling, or second marriage, many farms have special family needs. Strategies that provide solutions to these types of needs are the topic of this law bulletin.

12. **Strategies for Long Term Health Care Needs**

Farmers today must be aware of the possibility of long-term health care costs. We review strategies for addressing the need and reducing its impact on the farm and farm assets.

Planning for the Future of Your Farm is a project of the **OSU Agricultural & Resource Law Program**. We are an OSU Extension program providing objective and timely legal research on agricultural issues affecting Ohio. Find us at:



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