

Farm succession & estate planning for Idaho farm and ranch families

The Situation

Estate planning and farm succession are processes often avoided because they deal with issues regarding people, property, taxes, and laws. However, having a plan can reduce the stress and uncertainty of discussing important issues with family members. These topics are often confusing and simply beginning the conversation with family members may seem impossible.

One percent (1%) of family-owned farm and ranch businesses in North America are transferred to a third generation and 30% of all family-owned farm and ranch businesses have not considered a successor. A recent survey showed that fifty-eight percent (58%) of farm and ranch business owners list an inadequate succession plan as the greatest threat facing their business.

Our Response

In an effort to help Idaho farm and ranch families successfully pass their operations on to the next generation, University of Idaho Extension Educators developed farm succession and estate planning workshops.

The workshops target established operations as well as beginning farmers and ranchers. The objectives of the four week program are to help producers initiate the dialog with family members, and learn the tools and options necessary to develop their own succession plan, retirement plan, and estate plan. Some of the topics covered in the training include:

- Mission statements and long-term goals
- Financial analysis and planning
- Personality profiles and communication



Participants at the workshop hosted in Bonneville County.

- Management skills assessment
- Retirement planning
- Business structure
- Options for transferring assets, income, and management
- Estate planning tools such as: trusts, wills, conservation easements, insurance, and probate

Several professionals were involved in the workshops as guest speakers. These included accountants, attorneys, and financial planners. Participants were given the opportunity to learn from the guest speakers and ask questions pertaining to their own operations.

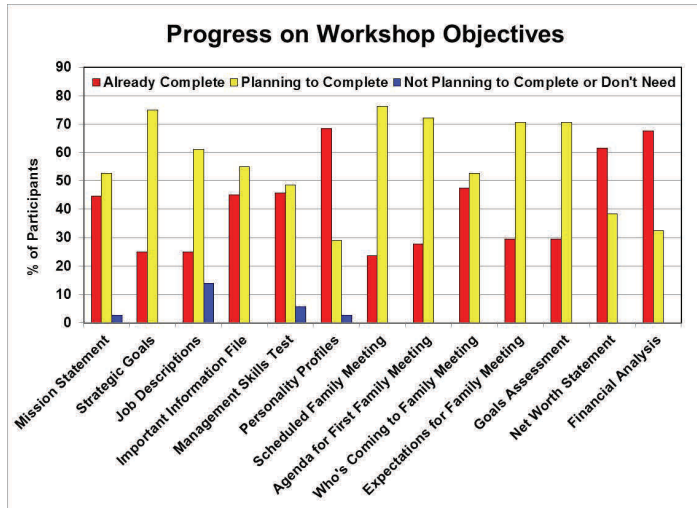
Program Outcomes

In 2013, seventy-five producers participated in the Farm Succession and Estate Planning workshops in

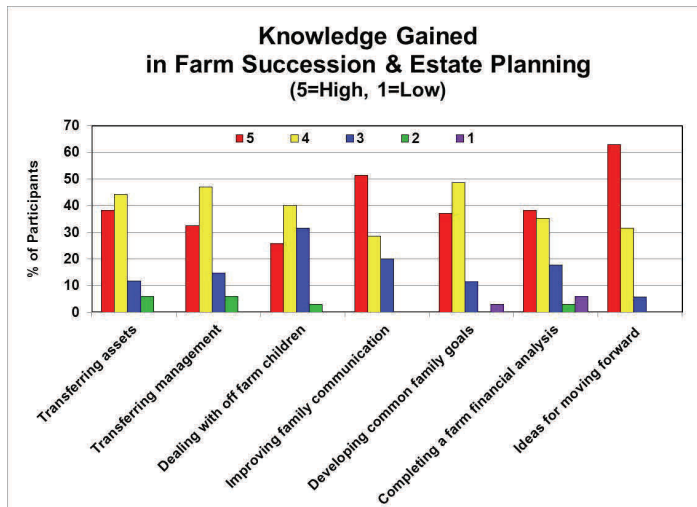
Idaho Falls, Burley, and Preston. Participants came from Bannock, Bear Lake, Bingham, Blaine, Bonneville, Butte, Cassia, Franklin, Fremont, Jefferson, Madison, Minidoka, Oneida, Power, and Teton Counties. An evaluation of the program showed:

- 100% of participants indicated they had started or planned to begin the estate planning and farm succession process.
- 96% of participants said they planned to put a team (accountant, lawyer, financial planner, etc.) together to assist them with estate planning.
- 100% said they would or already had recommended the program to a friend.

When asked which objectives they had completed or were planning to complete the responses were:



When asked to rate the knowledge gained in areas related to farm succession and estate planning, the responses were:



Some comments from participants were:

“A great way to get us moving into an area most of us have avoided to venture into.”

“Well worth the time away from work and home to gain new thoughts and knowledge.”

“Very well done – felt that all of you were concerned about our situation and wanted to help. Thanks for having the class.”

“Very informative and thought provoking.”

“Great program, something that all people need to take.”

“I have learned some valuable information for helping to make decisions as to how to pass on the property and maintain peace in the family.”

“Very well put together. Good information from both the professionals and extension agents.”

FOR MORE INFORMATION

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