

ESTATE PLANNING FOR RANCH OWNERS

BY TANYA E. FEINLEIB



LANGLEY & BANACK
INCORPORATED

Attorneys and Counselors at Law

1

THRESHOLD CONSIDERATIONS

- Liquidity and Cash Flow Needs
- Expectation of Liquidation vs Multi-Generational Ownership
- Ability to Partition



2

PLANNED LIQUIDATION

- Estate Below Exemption: Income Tax Basis Planning
- Estate Above Exemption: Possible Trade-Off Between Transfer Tax Efficiency and Basis Planning
- Possible Strategy for Estate Above Exemption: Gift fractional interests to an intentionally defective grantor trust containing an IRC § 675(4)(C) nonfiduciary power to substitute assets



MULTI-GENERATIONAL OWNERSHIP

CREATING EXIT OPTIONS (OR ELIMINATING THEM)

- LLCs, FLPs, and Trusts with Transfer Restrictions
- Conservation Easements



ABILITY TO PARTITION

- Possible Exit Strategy
- Identifying Important Structures and Access Issues
- Impact of Uniform Partition of Heirs' Property Act



5

LIABILITY PROTECTION

- Agri tourism Act
- Farm Animal Liability Act
- Recreational Use Statute and Liability Insurance
- FLPs/LLCs
- General Ranch Releases and Indemnities



6

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](https://utcle.org/elibrary)

Title search: Estate Planning for Ranch Owners

Also available as part of the eCourse

[2023 Stanley M. Johanson Estate Planning eConference](#)

First appeared as part of the conference materials for the
2023 Stanley M. Johanson Estate Planning Workshop session
"Estate Planning for Ranch Owners"