

ESTATE PLANNING FOR RANCH OWNERS

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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 Efficiencies 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



LIABILITY PROTECTION

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



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