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National Institute
of Food and
Agriculture

Workbook

for

Ranch Transition When You Aren't In Control

<http://go.unl.edu/Ranch>

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Nebraska Extension

This workbook is designed to help you through the process of communicating, understanding, and developing a sound ranch transition plan that passes the ranch to the next generation(s).

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PRE-WORKSHOP HOMEWORK

Keith Niemann, Trained Facilitator and Coach

Prior to the workshop, answer these questions:

What do you want to see happen to the ranch?

Why haven't you been able to talk to your parents about what is happening with their estate plans?

What is your biggest concern/anxiety/fear(s)? What are you afraid you might find out?

What is the biggest obstacle in your family dynamics?

What do you love about your family business?

What is the worse situation you can think of, which might happen in the future?

What could you learn from this workshop that would help you?

What is your *mission statement* for your ranch? What is your vision for the ranch?

What are your *goals* for your ranch? What will you do to make your vision happen?

HOMEWORK AFTER THE WORKSHOP

The To Do List

Keith will be following up with your family in November to January. Keith will check in to see how the “homework” went with your family. What did you encounter? What surprised you? What can you ask differently? Please make sure your contact information is current, and how you would like to be contacted.

Below are five questions to ask your parents (or older generation).

Suggested wording is italicized, if you need a script. Use your own words if these seem awkward.

You need to make “notes” to yourself about the answers you received.

1. You can start the conversation something like this: *“I’m concerned about the future of our operation and would like your thoughts/answers to several questions. Please be honest. And I will work very hard at simply listening.”*
 - Ask your spouse – *“What do you want to see happen to the ranch?”* (Listen for their values that show up in their answers.)
 - Ask your parents – *“What do you want to see happen to the ranch?”* (Listen for their values that show up in their answers.)

Note any common ground between your, your spouse's, and your parent's goals.

2. Ask your parents – *“I learned at a recent workshop that written documents are very important to the operation transition. Can you tell me if you have these documents in a written format, where they are located, and if you would share a copy with me?”*

“Do you have a: (Add or subtract from this list to find out about all relevant documents they may have.)

- *Written Lease*
- *Will*
- *Entity (LLC, Corporation, Trust)*
- *Buy/Sell Agreement*
- *Written plan for transfer of management and operation (land, cattle, machinery)*
- *Other*

Note:

- What does the written document look like?
- What do they have on paper and if you had to document it, could you?
- Can you access these documents (or copies)?

3. Ask your parents – *“Another important topic covered in the workshop was health planning. While none of us like to think about things that will inevitably happen, I ask these questions with a great amount of respect.*

- *Do you have Long Term Care in place to protect the ranch?*

- *What does that look like?*

- *What happens if you become physically or mentally incapacitated?”*

4. Ask yourself, with input from your spouse –

- What are our unpaid contributions?

- What is the value of the unpaid contributions?

- Are my parents aware of our unpaid compensation/contributions?

- Can you explain the difference of fair versus equal in a “nice” way to your parents?

Consider that your parents and other sibling may also have contributions that they consider unpaid.

Ask your parents –

- *“I’m starting to understand that we each contribute in different ways to the operation. Sometimes our contributions do not receive direct payment. I think it’s important that we can begin to determine what each of us contributes in ‘unpaid’ inputs.*

Can you help me write these down and put a value to the operation on each one?” (See what they come up with, they may identify contributions you’ve made that you have not considered.)

5. If this question is relevant

Ask your parents –

- *“If you intend to keep the operation in the family, I would like to be more involved with the management of the operation. What can you do to help me grow in this area?”*

If you are a laborer, ask yourself –

- how could I get more management transitioned over to me?

- Ask yourself - can I explain to my parents “Passing the Ranch Business On” versus “Selling the Place & Dividing Assets”?

Keith will be following up with your family in November to January. Keith will check in to see how the “homework” went with your family. What did you encounter? What surprised you? What can you ask differently?

COMMUNICATION

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Seek First to Understand, Then to Be Understood

This can be very difficult to do because we assume we understand what others are saying and meaning.

Good communication can only take place in an environment of trust.

The more people understand each other, the more they trust each other.

Listening

Empathic Listening is listening with the intent to understand from the other's frame of reference. It is reflecting feelings and words back to the speaker to get clear understanding.

You should use empathic listening when emotions are high and the other person doesn't feel understood.

Empathic listening tips: focus on your intent (understanding), not the correct response. Don't be afraid of silence. If you get stuck, simply repeat their words.

Autobiographical Listening is filtering what others say through our own story, experiences, biases and values. When you listen autobiographically, you are often listening with the intent to reply. Four types: Probing, Evaluating, Advising, and Interpreting.

Clarifying Questions

A clarifying question is one that comes from the speaker's story, not your autobiography. Ask clarifying questions to move the conversation along, especially if you receive a short response from the speaker. They usually begin with "what" or "how".

Examples:

- When you say he doesn't trust you, what do you mean?
- What does it look like to make a bigger contribution to the operation?
- When you say your work assignments are demeaning, what does that mean?
- Can you help me understand what you mean when you say they are performing way below par?
- Can you tell me more?

Practice Communication

On paper, describe a situation in your ranch operation that you feel strongly about and wouldn't mind sharing with the group.

Pair up with someone not familiar with your situation. Select a speaker and a listener. The speaker's job is to share the situation with the listener. Make sure you take a breath so the listener can practice good communication skills (listening and questioning). Listener's job is to understand the situation. Check your intent.

Reflect the speaker's feelings and words. Ask clarifying questions when appropriate. Check to make sure you understand what the speaker is trying to communicate. Allow some time for the speaker to provide some feedback to the listener. How did they do? What worked? What didn't?

Switch roles and repeat.

Tips for Seeking to Be Understood (once you understand the other person's perspective):

If the person you are speaking to interrupts you (possibly using their own autobiographic response), consider saying:

- Would you be willing to listen to me like I've listened to you?
- Before we go there, do you mind if I finish my thought?
- That sounds interesting. Can we come back to it later?
- I appreciate your thoughts. Will you be willing to hear me out before coming up with an answer?
- You could be right. I'd like to share my thinking without being interrupted right now. Will that work for you?

If the person you are speaking with becomes emotional, try returning to empathic listening before you continue speaking. You might also need to take a break and return to the conversation later.

If you still don't feel understood after the conversation, try following up with a written version of your point of view and possibly schedule a future time to finish the conversation.

Concluding remarks:

Know that there are some things you can influence and some things that you are concerned about that you cannot influence. Spend your time working on the things you can influence.

Consider creating a family Mission/Vision/Values Statement. If you would like help with this process, let me know.

Legal Aid of Nebraska and the Interchurch Ministries of Nebraska (IMN) have collaborated to establish a counseling program for rural Nebraskans - the Nebraska Counseling, Outreach, and Mental Health Therapy program, or COMHT, under which farm and ranch families and individuals of limited means may obtain no-cost vouchers to use in paying for confidential mental health counseling from participating licensed counselors. They can be reached through the Rural Response Hotline (1-800-464-0258).

Listening

Everything in good communication hinges on listening – especially listening with the other person’s agenda in mind. You should listen for signs of life, the choices they are making, and how those choices move them toward balance or away. Listening is the gate through which all communication passes.

Empathic Listening **is** reflecting what a person feels and says in your own words. It is listening to understand. It **is not** listening to advise, counsel, reply, refute, solve, fix, change, judge, agree, disagree, question, analyze, or figure out.

There are two aspects of listening in coaching:

1. *Attention* – awareness of what we receive through our senses (hearing, seeing, and intuition). We are attentive to all the information we are receiving. We notice the breathing, the pace of delivery, the modulation of the voice. We sense the pressure behind the words – the voice may be soft or hard-edged, tentative or enraged.
2. *Impact* – what we do with our listening. What impact are we having on the other person when we listen to understand?

Three Levels of Listening

Level 1: Internal Listening

- Attention is on ourselves – on the sound of our own inner voice.
- Listening to our own thoughts, opinions, judgements, feelings and conclusions.
- Appropriate level for the other person.
- When we are in Level 1, we are unaware of the other person and unaware of our impact on them.

Level 2: Focused Listening

- Attention is a sharp focus on the other person – listening is directed at them.
- Listening for words, expression, emotion, what they don’t say, values, vision and what makes them energetic.
- Impact is on them – are they coming alive or are they becoming withdrawn?

Level 3: Global Listening

- Attention is soft focus; listening at 360 degrees.
- Awareness includes everything: What you see, hear, smell, and feel.
- Gives greater access to your intuition.
- You are aware of your impact on them.

Powerful Questions

	Powerful	Not Powerful
Characteristics	<ul style="list-style-type: none"> ✓ Short ✓ Simple ✓ Open-ended (how, what, who, when) ✓ Curious 	<ul style="list-style-type: none"> ✓ Long ✓ Complex ✓ Multiple, serial ✓ Yes/No response ✓ Disguised solution
Impact	<ul style="list-style-type: none"> ✓ Client does the work ✓ Client understands bigger picture ✓ Client creates learning from their experience ✓ Client commits to action 	<ul style="list-style-type: none"> ✓ Coach does the work ✓ Client gets coach's knowledge ✓ Client becomes resistant

Sample Questions

What do you want?

What is important to you?

What will that get you?

How will you know (you have what you wanted)?

What or who can assist you?

What are some options?

What can you learn from this?

What will you do? By when?

Can you tell me more about that?

When you say _____, what do you mean?

Can you help me understand what you mean when you say _____?

Reduce or eliminate questions that begin with *would, could, did, do, don't, have* – they lead to yes/no responses. Questions that begin with “why” lead to explanations and focus on the problem.

Powerful Questions

Defining a Preferred State

1. What is it that you hope to achieve?
2. What would be your ideal scenario?
3. What would you like to see happen?
4. What would be the best situation for you?
5. What is your ultimate hope?
6. What outcome would be ideal?

Getting Focused

7. What are the ramifications of the outcome?
8. What options are available to you?
9. What is the upside of the outcome?
10. What is the downside of this outcome?
11. What is standing in your way?
12. What barriers do you have to overcome to achieve your ideal outcome?
13. What is really important to you?

Action

14. What could you do to make this happen?
15. What steps will you take?
16. What are you doing to make this happen?
17. What do you still need to do to make this happen?
18. What is your timeframe?
19. When will you do XXX?

Follow Through

20. How will you know this is working?
21. What impact will say you've been successful?

Accountability

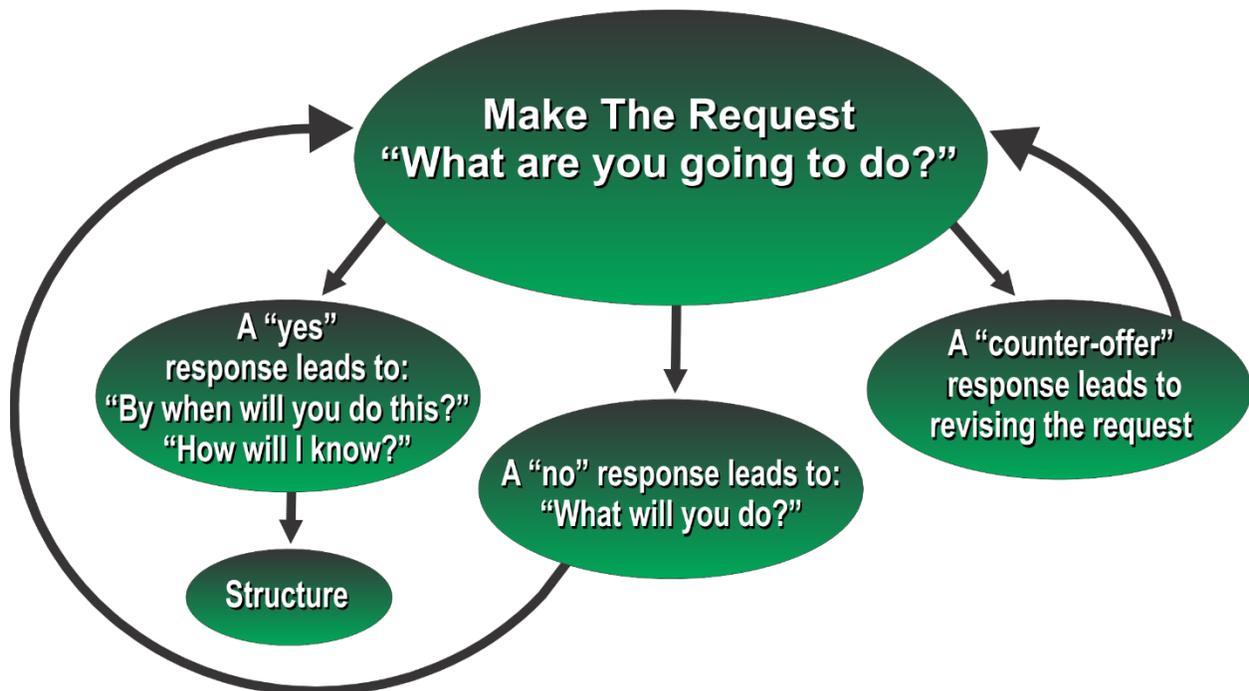
Accountability is having the other person account for what they said they were going to do. It is determined by three questions: 1) What are you going to do? 2) By when will you do this? 3) How will I know? Accountability does not involve blame or judgment. Rather, it's an opportunity to hold them accountable to their vision or commitment and asks them to account for the results of the intended action. If need be, holding them accountable includes defining new actions to be taken.

Accountability makes the process of change more tangible, more focused, more disciplined. Consequently, the process of change is also more successful.

Together you set up the reporting process for accountability. The object is action and learning, not specific results. The person being held accountable can learn as much from failure as from accomplishment.

To be accountable means simply that: to give an account. What worked? What didn't work? What happened? What would you do differently next time?

The Accountability Process



Affirmations

Affirmations address who the person had to be in order to accomplish whatever action he or she took or awareness he or she achieved. It is the articulation of your deep knowing of the other.



Focus	None	Task, goal, accomplishment	Character of the person
Action	None	Verbal recognition Monetary reward Memento	Verbal acknowledgement
Impact	Short term negative feeling, unless the work itself is primary reward Isolation, resentment	Short-term positive feeling of success Diminishing return Sense of entitlement	Short-term positive sense of being known as a unique individual Sustained Sense of belonging and contribution

“I acknowledge your courage, knowing that you had difficult things to share with me today.”

“I’d like to acknowledge you for. . . .”

“I see that you are. . . .”

Speaking To Be Understood

Respectfully state your point of view using “I” messages:

- I feel ____ about _____.
- I would like to _____.
- Based on my experience, I think we should _____.
- You could be right. However I’d prefer _____.
- That sounds interesting. Can we come back to it later?
- I can see what you mean. I have a different point of view I’d like to share.
- Thank you for sharing your thoughts. Would you be willing to hear mine?

“I” messages – describe your feelings, concerns and perceptions.

“You” messages describe the other person’s behaviors and motives.

Some tips:

- If the person interrupts you -
 - Would you be willing to listen to me like I’ve listened to you?
 - Before we go there, do you mind if I finish my thought?
 - That sounds interesting. Can we come back to it later?
 - I appreciate your thoughts. Will you be willing to hear me out before coming up with an answer?
 - You could be right. I’d like to share my thinking without being interrupted right now. Will that work for you?
- If the person becomes emotional -
 - Return to Empathic Listening before you continue to speak.
 - Take a break and return to the conversation later.
- If you still don’t feel understood -
 - Follow up with a written version of your point.
 - Agree to schedule a future time to finish the conversation.

LEGAL BASICS FOR "SANDWICH" GENERATION

RANCH ESTATE PLANNING: SOME INTRODUCTORY TERMS

By Joe M. Hawbaker, Attorney at Law

This article was prepared for a series of workshops, Ranch Transition When You are Not in Control, being presented by Nebraska Extension, with funding from North Central Risk Management Education. The article is not intended as a substitute for the advice of counsel. It is intended to introduce the reader to some of the basic legal issues and tools of estate planning.

Introduction

Here are the facts for our hypothetical family. Parents own most of the ranch assets. They may still be involved in running the ranch or they may have handed over most of the labor and management to the next generation. That generation, our "sandwich" generation, may own some assets of their own, such as livestock and equipment, and may even own some land, but the main part of the ranch in our hypothetical family still belongs to Parents. In this family, there are also off-ranch siblings of the Sandwich Generation. We will call them off-ranch heirs.

The Sandwich Generation have committed themselves to the ranch. They have been earning their livelihood at least in part from the ranch, though there may be off-ranch income to contribute to family living. It is likely that part of their contribution to the ranch has not been compensated; their efforts in part have increased the value of the ranch (built its equity) rather than come back to them in the form of salary, wages, benefits, etc. And the equity that is being built, whether sweat equity or capital improvements, may in fact belong primarily to someone else, i.e. the Parents. The fruits of the family's labors go back into the ranch – a common enough phenomenon in family agriculture.

The Sandwich Generation may also have children of their own, some of whom may be adults or approaching adulthood, and may be interested themselves in working on the ranch. These are the basic facts.

In our experience, the Sandwich Generation may be susceptible to certain anxieties. The following are statements we have heard from this generation.

- Will the ranch have to be sold to pay taxes at the time of the parents' deaths?
- Will the ranch have to be sold to pay the parents' long term care costs?
- What happens when the parents die? What is in their estate plan? Will we still be able to run the ranch? Will we have use of the land for our own cattle?
- We want to plan for our own retirement. What security will we have for our own retirement?
- We want to plan for our own children's succession into the ranch business.
- Will we ever come to own the ranch ourselves?
- Will we have to buy out our off-ranch siblings? Will we be able to do that? Will I want to take on a bunch of debt at that age?
- Will we share ownership of the ranch with our siblings? Does that mean we will be in business with them? Will we have to answer to them for our business decisions or make decisions with them?
- The longer we stay out here on the ranch the fewer other opportunities we will have in life.
- "Someday, son or daughter, this will all be yours" is sometimes a thin reed to lean on.
- What if the Parents become incapacitated – how will we operate and make decisions on the ranch, since we don't own it?
- What if the Parents change their mind about their estate plan?
- What if my siblings are unhappy with the Parents' estate plan? What if they challenge that plan after the Parents are gone?

And the list might go on. In the best of family relationships, some of these concerns can arise, whether or not they are ever expressed.

So, how do we address these concerns? Communication within the family may be the most important tool. But such communication is often not easy. The Sandwich Generation may feel like they are prying, or worse, that they appear to be motivated by greed, are acting like vultures, etc. by bringing up these topics. They may feel like it is a violation of some kind of unspoken trust between parent and child to bring up these things. But communication is critical, for the relationships involved are not merely familial but business.

In our workshops we will in part air out these concerns and discuss the tools that might be used to address them. Some of these tools are legal, that is legal

agreements, or structures and means of ownership. It may be helpful to have a brief background on some of the terms, concepts and tools.

Direct Ownership

Individuals, that is human beings, own the property. In using direct ownership, the question arises – how is the property to be owned? Will each person own their own separate property, e.g. a parcel to each heir? Or will the individuals own the property together, as either tenants in common or joint tenants?

Indirect Ownership

The property is owned by an entity, e.g. a limited liability company or corporation, and the individuals own the entity. Property may also be held in trust, in which individuals, as beneficiaries, own interests or shares. (In a trust, a trustee “owns” the property and manages it for the benefit of the beneficiaries.)

Joint Tenancy

A common form of ownership between spouses, where each spouse owns all of the property. Joint tenancy is characterized by the right of survivorship: last one standing gets it all. In joint tenancy, the last surviving owner determines what happens to the property after his or her death.

Tenancy in Common

Unlike joint tenancy, tenancy in common is not characterized by the right of survivorship. Each tenant in common, or co-owner, owns an undivided interest in the property, some fractional share of the undivided property. Tenancy in common provides no structure for management of property: the co-owners need to figure out who will be responsible for managing the property, e.g. paying taxes, negotiating leases, procuring insurance, complying with FSA/USDA regulations, etc. Tenancy in common is also subject to the right of partition. (See below.)

Right of Partition

Owners of real estate, whether joint tenants or tenants in common, may in effect force the sale of property through exercise of their right of partition. This is a legal right to seek a physical division of the property in court. In that courts are often unable equally to divide property among owners, the property is sold and the proceeds divided.

Option

An option gives the holder of the option (sometimes called the optionee) a right to force the owner of property to do something with respect to that property, typically

either to sell or lease the property to the option holder.¹ An option does not require that the holder of the option buy or rent the property. If, however, the option holder decides to exercise the option, i.e. decides to buy or rent the property, the option holder can compel the owner to sell or lease the property.

Preemptive Right

A preemptive right, as opposed to an option, gives the holder of the preemptive right merely an opportunity to purchase or lease the property (before it is sold or leased to a third party) should the owner decide in the first place to sell or lease. In other words, a preemptive right does not give the holder a right to *force* the owner to sell or lease property. What the preemptive right does is to limit the right of the owner to dispose freely of his or her property. Preemptive rights are also known as rights of first refusal or rights of first offer.

Closely-held Entity

A business entity, such as an LLC or corporation, for which there is no ready or available market. Often, ownership in a closely held entity is restricted to family by the entity's governing documents. For example, a closely held LLC may state in its operating or buy-sell agreement that only lineal descendants of the initial owners may ever own an interest in the company.

Buy-Sell Agreement/Provisions

This is an agreement among owners of a closely-held company that spells out what happens when one or more of the owners dies, retires, becomes incapacitated or simply wants to be bought out of the business. A buy-sell agreement places restrictions on the transfer of ownership interests by spelling out how and when and, often, for what price the transfer of ownership interests may occur. A buy-sell is something of a balancing act: how do you keep the business going, on the one hand, and, on the other, pay the departing owner a value for his or her ownership interest in the business? A buy-sell not only protects the ranch (e.g. keeping outsiders from interfering in a family-run business and protecting the business from the claims of its owners' creditors, including marital property settlement claims) but creates a market for those who want or need to get out. A buy-sell may also play a role in tax planning. A buy-sell can also perform an important part in succession planning, where, for example, the buy-sell gives those people who are

¹ For our purposes we are going to assume that the option contains a right to buy a piece of property, such as part of the ranch. However, technically, an option may be for either a right to buy or a right to sell. An option which gives the holder the right to decide to buy or not to buy the subject property may be referred to as a "call." If the option gives the holder the right to decide to sell or not to sell, it is called a "put." To take it one step further, beyond which numerous complexities arise, an option which contains a combination of the rights to buy or to sell is called a "straddle."

actively engaged in running the ranch the right to buy out the other non-active owners, often at a discounted price.

Life Estate Deed

Sometimes called the poor man's trust, this can be an efficient tool. The owners of property deed the property away of record (recorded at the courthouse) subject to their own lifetime right to possess and control the property. The former owners become life tenants and the new owners become what the law calls remainderpersons. The remainderpersons own the property but what they own is a future interest, an interest that is subject to the lifetime rights of the life tenant. The life tenant is entitled to possess and control the property, receive the income from it, pay the expenses on it, decide how it is managed, etc. But the life tenant has transferred the future interest to the remainderperson and so the life tenant cannot sell or encumber (mortgage) the property without the remainderperson's consent. In general, the life tenant is protected in use of the property from things that might go wrong in the remainderperson's life. The life tenancy ends automatically upon the death of the life tenant, with nothing more remaining to be done to transfer ownership to the remainderperson.

Installment Sales

An arrangement under which the owner of property sells it over time to the buyer. Installment sales can offer certain advantages, for example: 1) create an income stream for the owner (this may sometimes replace rent as a source of income for the parents in retirement); 2) begin the irrevocable transfer of ownership to the business successor; or 3) spread capital gain liability over a period of years, rather than having to pay it all in a single year. (This latter advantage may be seen by some as a disadvantage, that is, the sale triggers capital gain tax liability, whether or not it is paid over time or all at once.) There can other advantages, such as by shifting the income from the sold property to the new owner, who may be in a lower tax bracket than the initial owner, or by removing appreciation from the initial owner's estate, where the size of his or her estate creates transfer tax issues.

Care must be taken in installment sales to ensure that the sale is eligible for installment sales reporting under our tax laws. Running afoul of those rules may cause the entire gain to be taxable in the first year, while the income from the sale has been deferred over the term on the contract. There are, for example, complex related party rules that much be considered in structuring an installment sale. In general, farm machinery, equipment and livestock are not eligible for installment sales reporting – the seller must recognize the entire gain or recaptured depreciation in the first year.

Transfer Taxes

Federal taxes imposed on value of property that is transferred by gift during life (gift tax) or transferred at the time of death (estate tax). The rate for each is 40%. Most people do not need to be concerned with the federal transfer tax because of the Unified Credit, which is a credit that each citizen has to exempt the transfer of property from either gift for estate tax. The amount that can be exempted by each citizen under the credit is currently \$5.45 million. (The exemption amount was fixed at \$5 million per person in 2013 and indexed to inflation.) Spouses each have a credit which they may combine to exempt almost \$11 million of property from transfer taxes. For those people with property in excess of the exemption amount, additional transfer tax planning is advisable.

Inheritance Tax

Nebraska has an inheritance tax. Most property that a Nebraska resident owns at the time of death is subject to this tax. (Real estate in other states is not subject to the Nebraska tax.) The tax occurs at three levels: 1%, after a \$40,000 exemption per recipient; 13% with a \$15,000 exemption, and 18% with a \$10,000 exemption. The 1% tax applies for children, grandchildren, parents and siblings of the deceased. This includes spouses of those persons. The 13% applies

Basis Adjustment

Transferring assets in a *time-of-death* transfer allows the heirs (the new owners of the transferred property) to acquire a step-up in basis in the assets, and potentially to avoid capital gain taxes. Here's how it works. **Basis** is a tax term for cost and it is used to calculate capital gain. For example, if you purchased a piece of land for \$1000 an acre fifteen years ago, and that land is now worth \$3000 per acre, there is \$2000 of capital gain "built-in" to each acre of that land. If you were to sell the land, you would likely have to pay capital gain tax on that \$2000. (The maximum federal capital gain tax rate is presently 20%, to which some states will add their own capital gain tax. In Nebraska, the rate is approximately 7%. In addition, there may be imposed approximately 3% in federal tax for passive gains.) If you do not sell the land but transfer it to your heirs in a time-of-death transfer, they can receive a stepped-up basis, that is, the law will deem that they paid for the land whatever it is worth at the time of your death. (\$3000 per acre, in our example.) This happens without the payment of capital gain tax. Should the heirs then turn around and sell the land, little or no capital gains tax would have to be paid, because their basis would presumably be equal to the selling price.

Step up in basis is only available for time-of-death transfers. If property is given away during life as a gift, the donor's basis goes with the property and becomes the done/new owner's basis.

In Terrorem Clause

A clause that may be written into a Will or into a Trust, which provides for disinheritance (or a diminished inheritance) for those heirs who choose to fight about they are receiving. The clause is intended to dissuade people from contesting a Will or seeking to invalidate a Trust. Such clauses are not fool-proof; court's may still allow heirs successfully to challenge a Will or Trust; after all, what if Mom or Dad really were unduly influenced by one of the children, or truly lacked capacity to make a change to the documents later in life, etc. But such clauses can prevent heirs from raising a fuss without a real basis beyond resentment for doing so.

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CALCULATING UNPAID COMPENSATION or GROWTH IN BUSINESS EQUITY

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Did you influence the growth of the ranch?
What is “sweat equity”?
Contribution – Compensation.....Labor vs. Management
Is an hour of Labor valued the same as an hour of Management?
Land price trends
Upkeep
Excel spreadsheet (developed by Dave Goeller & John Baker)
UNL Custom Rates

TRANSFER MANAGEMENT and RETIREMENT

Retirement- Every Day is a Sunday
Golden Rule- Fair vs. Equal
Transfer of Management
Long Term Care....costs & sources
“Around the Bend”
Dead-end situations
Financially firing on all cylinders- adding (or losing) a generation
Is step number one to set up an entity?
Exit Strategy- What if It Doesn’t Work Out

BUY OUT SITUATION

How many acres does the ranch comprise of (not including any land you own)?

Rangeland _____ acres

Meadows _____ acres

Cropland _____ acres

What is the market price?

Rangeland \$ _____ / acres

Meadows \$ _____ / acres

Cropland \$ _____ / acres

What is the total amount of the ranch worth?

\$ _____

If the ranch is split “equally” among heirs, what would you need to buy out the other heirs?

\$ _____

