



# Transition Planning for Farmers and Ranchers

A Fact-Finding Worksheet



PERSONAL INFORMATION

Client

Name: \_\_\_\_\_

Date of birth: \_\_\_\_\_

Gender: M F U.S. citizen? Y N

Off-farm occupation: \_\_\_\_\_

Business owner? Y N

Street address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Spouse

Name: \_\_\_\_\_

Date of birth: \_\_\_\_\_

Gender: M F U.S. citizen? Y N

Off-farm occupation: \_\_\_\_\_

Business owner? Y N

Do the two of you have a prenuptial agreement or any other written agreement regarding the division of your assets? Y N

Children

Working on the farm/ranch?

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_ Y N

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_ Y N

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_ Y N

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_ Y N

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_ Y N

Number of married children: \_\_\_\_\_

Grandchildren

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_

## ESTATE PLANNING GOALS

How did you first get involved in the family farm or ranch?

Have any of your children participated in the farm or ranch at any stage of their lives?

What are your biggest financial concerns related to the farm or ranch?

What are your plans for retirement (timing, continued involvement in the business, etc.)?

What should happen to the farm or ranch when you die? What should happen to your other assets?

What are your children's views on keeping the farm in the family long-term? Do different children have opposing views on this?

How much of an emotional connection do your children have toward the land?

Does anyone in your family have special needs that your estate plan should consider (physical or mental disabilities; medical, financial or educational needs; etc.)?

Do you have a favorite charity that you want to provide for in your planning?

Do you have a specific deadline for putting estate planning goals in place?

FARM/RANCH OWNERSHIP

Business name: \_\_\_\_\_

Type of farm or ranch: \_\_\_\_\_

Founding date: \_\_\_\_\_

Are you the original owner? Y N

If not, who was? \_\_\_\_\_

Do you and your spouse own 100% of the business? Y N

If not, what is your ownership percentage? \_\_\_\_\_ %

If there are other owners, who are they and how much do they own?

\_\_\_\_\_  
\_\_\_\_\_

How many people do you employ? \_\_\_\_\_

How many employees are family members? \_\_\_\_\_

Have you done a professional valuation? Y N When? \_\_\_\_\_

Do you lease any of your land *from* others? Y N How much? \_\_\_\_\_ %

Do you lease any of your land *to* others? Y N How much? \_\_\_\_\_ %

What happens to the farm or ranch when you retire? \_\_\_\_\_

\_\_\_\_\_

What happens to the farm or ranch if you become disabled? \_\_\_\_\_

\_\_\_\_\_

What happens to the farm or ranch if you die? \_\_\_\_\_

\_\_\_\_\_

Form of business (circle type):

C corp          S corp

Family limited partnership

Limited liability partnership

Partnership (general or limited)

Family LLC

Sole proprietorship

Other: \_\_\_\_\_

Annual revenue: \$ \_\_\_\_\_

Annual cash flow: \$ \_\_\_\_\_

Annual growth rate: \_\_\_\_\_ %

*FARM/RANCH OWNERSHIP continued*

If other family members are involved in the farm or ranch operation, how will they be affected if you die unexpectedly?

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Is there an existing buy-sell agreement? Y N      What type? \_\_\_\_\_

How will the purchase price be determined? \_\_\_\_\_

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How will the heirs fund the purchase? \_\_\_\_\_

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If you plan to pass the farm or ranch down to a family member at your death, determine whether the special use valuation election (IRC Sec. 2032A) will apply. You must be able to answer "yes" to each of the following four questions. (There are additional requirements, so be sure to consult your attorney if you plan to make use of this election.)

- Will the farm property be used for active farming purposes for 5 of the last 8 years of your life? Y N
- Will the farm heirs continue the farm operations for at least 10 years after your death? Y N
- Does the value of the qualified property equal at least 25% of the total estate? Y N
- Does the combined value of farm property and other business property equal at least 50% of the total estate? Y N

Do you or your spouse hold an off-farm job? Y N

If so, please describe: \_\_\_\_\_

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Do you or your spouse own a business in addition to the farm or ranch? Y N

If so, please describe: \_\_\_\_\_

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## ASSETS INVESTMENTS

Investments	Market value
Stocks/Bonds/Mutual funds	
Cash/CDs/Money market funds	
Partnerships	
Trusts	
Annuities	
Other investments	

## ASSETS PROPERTY

Property	Market value	Liabilities/debts
Primary residence		
Personal vehicles		
Real property		
Equipment and machinery		
Crops and livestock		
Land leased to a third party		
Other		

## ANNUAL INCOME (GROSS INCOME LESS EXPENSES)

	Income Source	Amount
Client		
Spouse		
Both		

## LIFE INSURANCE

insured	Type*	Owner	Death Benefit	Surrender Value	Annual Premium	Beneficiary
Client						
Spouse						
Joint						

\*Permanent, term, group term, survivorship

Do you have long-term care insurance? Y N

Does the business itself own any life insurance? Y N

## RETIREMENT SAVINGS

	Plan 1	Plan 2	Plan 3	Plan 4
Participant				
Plan type*				
Current balance				
Beneficiary				
Yearly contributions				
Growth rate				

\*IRA, Roth IRA, 401(k), pension or profit-sharing plan, SEP plan, tax-sheltered annuity, deferred compensation plan, etc.

How much annual income do you estimate you will need to retire? \$ \_\_\_\_\_

How much do you expect to receive from Social Security each month? Client: \$ \_\_\_\_\_ Spouse: \$ \_\_\_\_\_

Do you anticipate any sources of retirement income in addition to the retirement plans listed above? (For example, accessing life insurance cash values, annuities, other investments, etc.) If yes, please list: \_\_\_\_\_

\_\_\_\_\_

## CURRENT PLAN

Do you have a will? Client: Y N Spouse: Y N Last updated: \_\_\_\_\_

How do you plan to divide your estate (including the farm or ranch) when you die? \_\_\_\_\_

Do you want to equalize the children's inheritances? Y N

### Client

Assuming you die first, how are you providing for your spouse? \_\_\_\_\_

How are you providing for the children? \_\_\_\_\_

### Spouse

Assuming you die first, how are you providing for your spouse? \_\_\_\_\_

How are you providing for the children? \_\_\_\_\_

Do you have a revocable living trust? Client: Y N Spouse: Y N Last updated: \_\_\_\_\_

Does your will or revocable trust establish a credit shelter trust or otherwise use your estate tax exemption amount?

Client: Y N Spouse: Y N

	Client	Spouse
Do you have a power of attorney for financial matters?	Y N	Y N
Do you have a power of attorney for health care?	Y N	Y N
Do you have a living will?	Y N	Y N

Have you made gifts during your lifetime? If yes, please indicate specific amounts.

Client: \_\_\_\_\_ Spouse: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Are you currently making regular gifts to any individuals or organizations? If so, please list below:

Annual amount \$ To: Made by: \_\_\_\_\_

Annual amount \$ To: Made by: \_\_\_\_\_

Annual amount \$ To: Made by: \_\_\_\_\_

Annual amount \$ To: Made by: \_\_\_\_\_

Annual amount \$ To: Made by: \_\_\_\_\_

Do you expect to continue these gifts annually for your lifetime? Y N

If no, please note the number of years you expect these gifts to continue: \_\_\_\_\_

