

FARM TRANSITION

BROUGHT TO YOU BY
the Idaho Farm and Ranch Center

SUCCESSION

Transfer of Management

- Identify where the operation is today
- Discuss values and goals
- Develop tactics and timing plan
- Understand legal agreements
- Determine family employment and compensation



**START WITH SUCCESSION PLANNING FIRST!
THEN MOVE ON TO ESTATE PLANNING!**



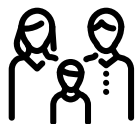
ESTATE

Transfer of Assets

- Complete a valuation of assets
- Determine fair vs. equal for heirs
- Identify powers of attorney and trusts
 - Assess estate tax risk
- Determine liquidity coverage, insurance needs, wills and more

HOW TO BEGIN SUCCESSION PLANNING

IDENTIFY WHO NEEDS TO BE INVOLVED.



BEGIN FAMILY COLLABORATION

FOCUS ON INFORMING BEFORE DECIDING



IDENTIFY BARRIERS TO A SUCCESSFUL TRANSITION

TAKE ACTION

THIS IS ONLY THE BEGINNING!



TRANSITION PLANNING QUESTIONS

Start your transition planning process with these ten questions.

1 Are all farm family members willing to put forth the effort, time, and commitment needed to achieve a successful transition plan?

2 Are all family members willing to respect and work with on another?

3 Are there common missions, visions and values for the future of the operation that has been openly discussed with all family members?

4 Do all family members involved understand the differences between fair and equal treatment when discussing succession of the operation?

5 Is the operation viable past the current generation? What is the financial situation of the business?

6 What is the financial situation of the next generation entering into the operation?

7 What tax planning, including the choice of legal structure(s), needs to be completed with a team of specialized accountants and tax experts?

8 Does the current generation who owns and operates the farm plan on retiring? If yes, when and how will that take place?

9 What does the current generation need and want, financially and personally, in retirement?

10 What is the fair market value of the operation that the next generation can afford over time while supporting a secure retirement for the current generation?

Find the next six questions to consider and additional information at:

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