



Don't Shrink from Estate Planning

By Joe Snyder

Estate planning is pretty serious stuff, not much fun. It can also consume time and money, although not as much as you might think. As a result, many cattle producer families don't get it done. But the consequences of that inaction can be beyond devastating — think loss of the family farm or your surviving loved ones facing years of unnecessary hardship.

Jason Hitch says the benefits of sound estate planning trump whatever difficulties such planning might present. Jason is the son of the late Paul Hitch, a well-known, longtime industry and NCBA leader who passed away in March. Jason is an attorney and shares the chief executive officer duties of Hitch Enterprises Inc. with his brother Chris in Guymon, Okla.

He says the biggest challenge in estate planning was — you guessed it — just making it happen, “getting my dad resigned to the fact that he would spend \$6,000-\$7,000 to get it done.” Not all estate planning will cost that much.

“The more complicated you make it, the more expensive it is, and he wanted fairly precise things done,” says Jason. “A simple will might cost \$600 to \$1,000 to get a good one drawn up. You can get it cheaper than that, but then it may not have much tax protection. And most people are trying to maximize tax protection in order for their assets to go to the people they want them to go to, especially if there are minor children that you don't want to get a lump sum check, for example. Your complications start coming in for things like providing for a trust or someone else to manage it for them until they're of age.”

The first thing to do is figure out what your estate planning goals are, Jason says — not necessarily the technical details but who you want assets to go to and in what form, how you want it divided up. Establishing what it is you really want will make choosing and working with an attorney easier.

At this point, it would be a good idea to talk to the family members or people who will be affected and find out if there are any concerns about your plan. “You might



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want to give them your favorite tractor, but they may not want it,” he points out. This step will also make the planning process go smoother when meeting with an attorney.

The Hitch estate plan took a while to set up, Jason says, not necessarily for the family so much as for the attorney. He recommends calling friends and neighbors for their recommendations on choosing the right attorney. Get lots of recommendations, then narrow the list down and interview them.

The Hitch family narrowed their list down to four attorneys and drove to Oklahoma City to interview them, talking to each for about an hour before making their decision.

“It's a pretty personal discussion so make sure you pick someone you like,” says Jason. “It's like picking a doctor. Make sure it's someone you will be confident in talking to and whom you're comfortable with. Our interviews were based on personalities, what kind of people these attorneys were, what have they done, have they worked in the ag field before, their background, how long they've been an attorney.”

A good probate lawyer with lots of experience might cost \$250-\$300 an hour, depending on how complicated your plans are, Jason says. The lawyer doesn't have to be an expert unless you

have something complicated you want to achieve or a complex company structure.

After that it took a few hours to get preliminaries done. Perhaps the most time was spent compiling accurate information and rounding up valuations and titles. “You'd be surprised how many little knickknacks you've picked up over the years,” Jason says.

When you receive final documents from the attorney, it takes only minutes to sign them and write the attorney a check, he says. You will have to pay filing fees of about \$10 for each individual package of property you own (some of the deeds can be packaged together). The Hitch family paid about \$150 in filing fees.

“Spending the money to get this done is a small thing in order to get your estate planning done the way you want,” says Jason.