

# Estate Planning

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What I do as an estate planner:

1. Understand my client's situation
2. Understand my client's objectives
3. Identify obstacles or challenges
4. Help my client create a plan

What I do as an estate planner:

1. Understand my client's situation

Family

Financial

2. Understand my client's objectives
3. Identify obstacles or challenges
4. Help my client create a plan

What I do as an estate planner:

1. Understand my client's situation
2. Understand my client's objectives

Disposition of property

Reduction of taxes

Asset protection

If land is involved . . .

3. Identify obstacles or challenges
4. Help my client create a plan

What I do as an estate planner:

1. Understand my client's situation
2. Understand my client's objectives

...

If land is involved

Protect it from development?

Keep it in the family?

Keep it operating as a farm?

3. Identify obstacles or challenges
4. Help my client create a plan

What I do as an estate planner:

1. Understand my client's situation
2. Understand my client's objectives
3. Identify obstacles or challenges

Conflicting objectives?

Difficult or unusual assets?

Beneficiaries with special needs?

Beneficiaries who don't get along?

If land is involved . . .

4. Help my client create a plan

What I do as an estate planner:

1. Understand my client's situation
2. Understand my client's objectives
3. Identify obstacles or challenges

. . .

If land is involved

Illiquidity

Uncertainty about value

Discrepancy between market value and desired use

Cumbersome for gifting

4. Help my client create a plan

What I do as an estate planner:

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2. Understand my client's objectives
3. Identify obstacles or challenges
4. Help my client create a plan

## Tools for Estate Planning

Wills

Trusts

Gifts

To individuals

To charitable organizations like land trusts

Sales

Bargain Sales

Conservation Restrictions

Life Estates

Partnerships

<b>Taxable Estate</b>	<b>Massachusetts Estate Tax</b>
Less than a million	No filing requirement
1,200,000	45,200
1,500,000	64,400
2,000,000	99,600
3,000,000	182,000
5,000,000	391,600
10,000,000	1,067,600



## FVAC CHAPTER LAND RECOMMENDED VALUE for FISCAL YEAR 2019

### Per Acre Range of Values

Chapter Land 61 and 61A Use Categories	Productivity Based on Dominate Soil Ratings <sup>a</sup>			
	Use Code	Below Average	Average	Above Average
Cropland Harvested: Vegetables, Tobacco, Sod and Nursery	711, 712, 719	\$766	\$958	\$1150
Cropland Harvested: Dairy, Beef and Hay; Tillable forage cropland, etc.	713	\$154	\$192	\$230
Cropland Harvested: Orchards, Vineyards, and Blueberries	714	\$766	\$958	\$1150
Christmas Trees	602, 715	\$108	\$108	\$108
Nonproductive Land: Wetland, scrub land, rock land	720	\$48	\$48	\$48
Cropland pastured; Permanent pastured; Necessary and Related land—farm roads, ponds, etc.	716, 718	\$154	\$192	\$230
Productive Woodland; Land Use Categories – Chapter 61 Forest Land or 61A land with a Forest Management Plan <b>West</b> of the Connecticut River	601, 717	\$79	\$99	\$119
Productive Woodland; Land Use Categories – Chapter 61 Forest Land or 61A land with a Forest Management Plan <b>East</b> of the Connecticut River	601, 717	\$62	\$78	\$94

Use Code	Cranberry: Range of Production/ Barrels per Acre				
710	<89	89≤125	125≤160	160<195	>195
Cranberry Values	\$828	\$1248	\$1665	\$2080	\$2500

- **Cropland Harvested** – This land represents the highest use of land in the agricultural enterprise. All land from which a crop was harvested or hay was cut, in the current year falls into this category. This includes the land in vegetables, sod, nurseries, orchards, vineyards, other perennial plantings, and greenhouses.
- **Dairy, Beef and Hay; Cropland Pastured, Other Cropland & Permanent Pasture** – Cropland used for pasture or grazing or land considered as tillable but is elected to be fallow or in cover crops. It can and often is used to produce crops, but its maximum income may not be realized in a particular year. This category also includes land planted in crops, which were to be harvested after the census year, and land is typically not tillable, best suited for grazing or possibly part of an erosion control program, plus necessary and related lands.
- **Nonproductive Land** – The land on the farm which is nonproductive primarily due to slope, drainage capacity, soil type or topography.

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