



# Your Legacy, Your Land: Examining Options

Dr. Tamara Cushing, Oregon State University  
Caroline Kuebler, American Forest Foundation  
August 25, 2016

# Welcome

- o Why this series?
- o Why now?
- o General topics to be covered through the series
- o Recordings



## Tammy Cushing

Starker Chair of Private & Family  
Forestry

Extension, Research & Teaching

Degrees in forestry, taxation and  
forest finance

More importantly:  
Mom, wife and daughter

Passionate about helping  
landowners



## Caroline Kuebler

7 years working for the  
American Tree Farm System,  
working with landowners

7 years researching forest  
ecology

Masters in Forest Science

Mom, wife and daughter  
Hope to be a Tree Farmer soon!



# Where have we been?

- o Taking stock of what you have
  - o Understanding the assets and their value
- o Heirloom or financial asset
- o Setting goals
- o Conversations with potential heirs
- o Generational differences
- o Family Meetings!

# Have a meeting!



# How many of you

- o Have planned a family meeting?
- o Have had a family meeting?

# Goals of the meeting?

- o History of land
- o Face-to-face communication
- o Get to know each other in a working relationship
- o Know the personal needs, desires, & goals
- o Make informed decisions
- o Begin to involve advisors to assist the family



# By now, hopefully...

- o You got a read on family members
- o Figured out who to leave the property to
- o But what if ....



# “He left a fortune, to no one”

“He was a very smart man but he died like an idiot,”

Real-estate developer worth over  
\$40 MILLION

**Died with no will**



# His Legacy...

“I don’t want to die like that.”

“I don’t even have \$1 million, but I want to be The Decider about where my stuff goes. A zillion non-profits are happy to receive bequests of any size. Like many of you, my will isn’t completed yet. Thanks, Mr. Blum, for the kick in the butt.”

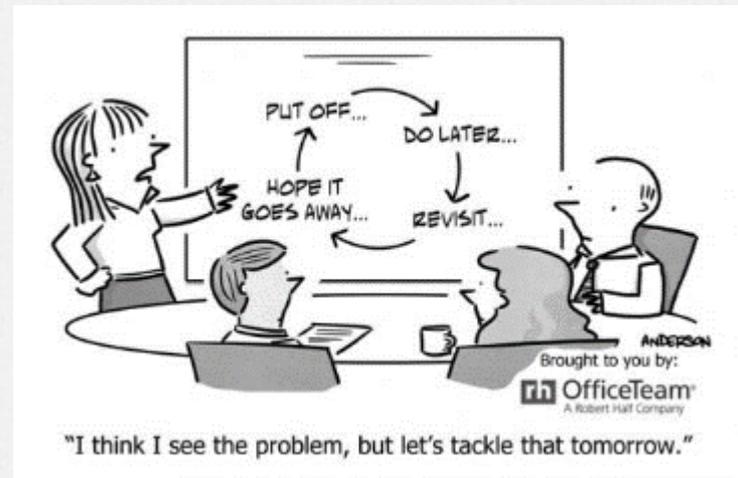
# The hunt begins

- o Looking for relatives
  - o No spouse
  - o No children
  - o Records are sketchy



# Why did this happen?

- He didn't want to plan
- Then procrastinated
- Lack of heirs?



# What are your options?

- o Individuals
- o Charity
- o Uncle Sam



Flickr, donkeynotes

# Individuals

- o Family
  - o Friends
  - o Business partner
  - o Neighbor
- 
- o Find someone who wants to start but doesn't know how



# Charities

- o Many different kinds
- o Do your homework!



# Universities



**Grow a Legacy**  
**BULLDOG FOREST**  
Mississippi State University

MISSISSIPPI STATE  
UNIVERSITY

[Home](#) [Bulldog Priorities](#) [Bulldog Forests](#) [How it Works](#) [Contact Us](#) [MSU Foundation](#)

## A Gift Of Timberland

A gift of timberland, whether outright or through your will, provides a unique opportunity to see your land managed and enhanced while benefiting MSU students, faculty and countless others who are touched by Mississippi State University.

The Bulldog Forest was established to receive and manage gifts of land to the MSU Foundation. Our world-renowned professionals in the College of Forest Resources will manage your property as if it were their own. There are a number of potential uses for your land. Among them are:

- ✓ Teaching
- ✓ Research
- ✓ Timber Sales
- ✓ Hunting Leases
- ✓ Recreation
- ✓ Mineral Leases

Proceeds generated from your land may be used to fund scholarships, endow faculty positions, make campus improvements, support programs and activities and provide for professional continuing education within any college or area on campus. You, the donor, may choose to direct your gift in whatever manner you feel led. Donating land to MSU's Bulldog Forest allows donors to leave a lasting legacy in their family name.

Many types of property can be considered for the Bulldog Forest, whether they are existing stands of timber or other properties that can be managed long term. Prior to acceptance, each tract must be approved by the MSU Foundation Real Estate Team. Gifts may be made in many forms. A brief overview of the benefits of each can be found [here](#).

## Methods Of Giving

A gift of timberland provides a unique *opportunity* to see your land *preserved* while benefiting MSU. | Many types of *property* can be considered for Bulldog Forest. | Real estate gifts benefit MSU students and *enable* the university to thrive. | Funds from real estate gifts are used to *support* the university programs that are of greatest *interest* to the donor.

[Giving](#) [Property](#) [Reasons](#) [Methods](#)

### ✓ Outright Gift

#### ***CREATE A LEGACY, RECEIVE A TAX BENEFIT***

When you make an outright gift of real property held for more than a year, you obtain an income tax charitable deduction equal to the property's full fair market value. This deduction lets you reduce the cost of making the gift and frees cash that otherwise would have been used to pay taxes.

By donating the property to Mississippi State, you also avoid capital gains tax on the property's appreciation. Furthermore, the transfer isn't subject to the gift tax, and your donation reduces your taxable income.

### ✓ Bequest

#### ***GIVING REAL ESTATE THROUGH YOUR WILL***

If making an irrevocable lifetime gift of property through one of the other options discussed does not meet your needs, consider giving it in your will. Because your will is revocable (that is, you can change your mind at any time), you will not be able to take an income tax deduction, but the property will not be taxed as part of your estate. Through your will, you may also give another person lifetime use before unrestricted ownership passes to Mississippi State. You may also bequeath full title to an individual if that person survives you with Mississippi State as the contingent recipient.

# Usually have conditions

## **CLEMSON UNIVERSITY REAL ESTATE FOUNDATION TIMBERLAND PROPERTY ACCEPTANCE PROCEDURES**

The Clemson University Real Estate Foundation (CUREF) will accept appropriate revenue-generating property in the form of timberland or the rights to standing timber. Any excess revenue generated from the properties will be distributed to the Clemson University Foundation (CUF) in accordance with the fund agreement executed with the donor and in order to promote the welfare and future development of Clemson University in its educational and scientific purposes.

CUREF, with the help of the Clemson University Department of Forestry and Natural Resources, the Advisory Committee and outside consultants, will receive donated timberland and follow the objectives and procedures stated below, the [CUREF Property Acceptance Procedures](#), and adhere to a management plan which will apply specifically to the property. It is also beneficial

# Land Trusts

- o A land trust is a non-profit organization whose mission is to protect, preserve, and steward special lands, by working with willing landowners and various community partners. The two most widely used tools to accomplish this mission are a conservation easement or fee-title acquisition, both intent on protecting these lands in perpetuity.

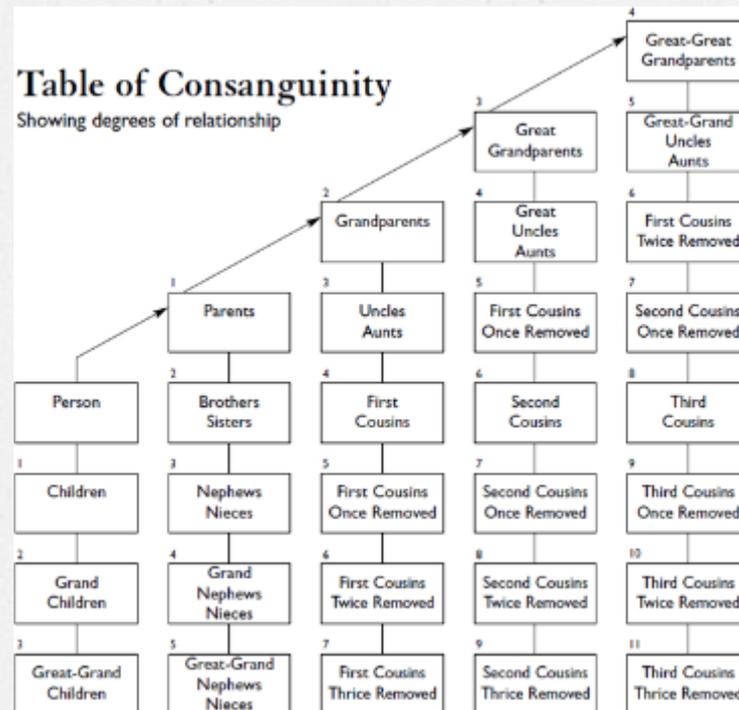


# Land Trusts

You can leave your own legacy of conserved lands in Wallowa County forever when you include Wallowa Land Trust in your will. A charitable gift from your estate to Wallowa Land Trust will protect a treasure: working farms and ranchlands, forests and wetlands, rivers and streams, scenic vistas and sacred places. Our opportunity to secure this beautiful, rural landscape is unprecedented. Your gift will inspire others to do the same. Together we can help ensure the integrity of the Wallowa Country for generations to come.

You can simply name Wallowa Land Trust as a direct beneficiary of specific assets, of a portion of your estate, or of your residual estate. Examples include naming the Trust the beneficiary of real property, a life insurance policy, financial accounts, or retirement plans such as an IRA, 401(k) or 403(b).

# So what of the \$40M estate?



# 2014 Update

- o A will was filed in Staten Island Surrogate's Court — one that Blum purportedly sent to Helen Pietrucha, a woman Blum met in Warsaw in 1938. Blum and Pietrucha were separated during World War II.
- o According to a friend of Pietrucha, Blum wrote Pietrucha a letter in 1987 that included a will in which he wrote, "I give all my estate after my death to my beloved Helen Pietrucha," Blum told no one about the will; the two witnesses listed on it have since died. And Pietrucha died in 1999.

# Sadly

- If no relatives are identified, the man's massive fortune will simply be absorbed by the state's coffers.
- Will sit there until someone is found but will be used in the meantime.

# What could he have done?

- o Left a large chunk to friend, neighbor, etc.
- o Left it all tax free to a charity
- o Made a difference...

Deanship or institute directorship	\$5 million endowment
Coach	\$2 million endowment
Professorship	\$500,000 endowment or \$25,000 annually for a minimum of 3 years
Faculty Scholar	\$250,000 endowment or \$12,500 annually for a minimum of 3 years
Presidential Scholarship	\$200,000 or \$8,000 annually for a minimum of 4 years
General undergraduate scholarship or graduate fellowship	\$25,000 or \$5,000 annually for a minimum of 5 years
Endowed program fund	\$25,000 or \$5,000 annually for a minimum of 5 years

# Uncle Sam



# History

- o In feudal England, when the tenant of a fee (or "fief") died without an heir, the fee reverted to the King's demesne permanently.



# In 2016

- o **Escheat** is a common law doctrine that transfers the property of a person who dies without heirs to the crown or state. It serves to ensure that property is not left in "limbo" without recognized ownership.

# Steps for those without heirs

- o Establish a will
- o Identify a power of attorney
- o Make a list of beneficiaries
- o Keep things up to date
- o Re-assess often

# Assignment for September

Make a list!

- ✓ Potential individuals
  - ✓ Have you spoken with them?
- ✓ Potential charities
  - ✓ What kind of donations will they accept?
  - ✓ Conditions of acceptance
  - ✓ Goals in alignment



# Legacy Planning Resources

- o Legacy Pledge
- o Monthly Webinars  
(including recordings)
- o Worksheets
- o Goal setting tools
- o And more!



[www.mylandplan.org/your-legacy-your-land](http://www.mylandplan.org/your-legacy-your-land)

# Housekeeping

- o Follow-up email
- o Survey prior to next webinar
- o Next webinar: September 22<sup>nd</sup>, same time

Questions/comments on content:  
[Tamara.cushing@oregonstate.edu](mailto:Tamara.cushing@oregonstate.edu)

