

ESTATE PLANNING

Richard W. Carkner

Estate planning is a broad and complex subject and one that generated considerable interest even before the recent significant appreciation in estate values. An Extension estate planning program designed to acquaint North Dakotans with some of the problems, opportunities and the tools of estate planning was started in 1968. A list of the meetings held and the average attendance since 1971 are listed in Table 1.

Table 1
ESTATE PLANNING WORKSHOPS

Year	Number	Attendance	Average Attendance
1971	13	1,336	103
1972	20	1,865	93
1973	27	2,015	75
1974	19	1,656	87
1975	25	1,727	69
1976	21	2,331	111
	125	10,930	87

The format for a typical estate planning workshop includes a four-hour discussion led by an Extension specialist with a local attorney present to answer detailed legal questions. Reference material summarizing the workshop and a form for taking an estate inventory and estimating state and federal estate taxes are provided to those attending.

Why have over 10,000 people attended estate planning workshops since 1971? Apparent reasons

are both financial and personal. Financial losses and personal hardships are often the result for survivors if estate plans are inadequate or absent.

In 1976 a survey was conducted to determine specific reasons why people have attended estate planning workshops, who has attended and if any estate planning progress has been made by North Dakota families. Individuals attending estate planning meetings in Nelson, Renville and Ward Counties were surveyed. The results presented here are based on a 36 per cent response of those attending workshops in these four counties.

Who Attends?

Who attends Extension estate planning meetings? The largest group consists of active farmers followed by housewives, many of whom attended with their husbands, and active professionals as illustrated in Table 2.

Table 2
OCCUPATION OF THOSE ATTENDING
ESTATE PLANNING MEETINGS

Occupation	Total	Percent of Total
Active Farmer	55	31
Housewife	43	24
Active Professional	32	18
Retired Farmer	18	10
Wage Earner	11	6
Retired Professional	10	6
Semi-Retired	8	5
	117	100

Dr. Carkner is Farm Management Economist, Cooperative Extension Service.

Many of the active professionals are in the estate planning business, including insurance underwriters and bankers. Collectively, retired, semi-retired and wage earners comprised a significant 28 per cent of survey respondents.

The majority of respondents had not previously attended an Extension estate planning meeting or an estate planning meeting put on by some other organization. Less than one-third of the respondents had previously attended an Extension estate planning meeting. Less than 40 per cent of the respondents had attended an estate planning meeting put on by some other organization.

Reasons For Attending

The reasons cited for attending Extension estate planning meetings are outlined in Table 3. The most commonly cited reasons were to learn how to reduce estate settlement costs, to obtain more information before completing an estate plan and to learn how to start the estate planning process.

Table 3
REASONS FOR ATTENDING
EXTENSION ESTATE
PLANNING WORKSHOP

Reason	Number of Responses
1. Obtain more information before completing an estate plan	94
2. Learn how to reduce settlement costs	93
3. Learn how to start the estate planning process	79
4. Evaluate a completed estate plan	47
5. To ask specific questions of the attorney present	31
6. Other	14

Many respondents also wanted to evaluate their own completed estate plan and to get some free advice from the participating attorney. It is interesting to note that even though 30 per cent had previously attended an Extension estate planning meeting and 40 per cent attended meetings put on by other organizations, nearly 80 per cent of the respondents still wanted to learn how to start the estate planning process. This points out the complex nature of estate planning.

Extension Meeting Results

Meeting participants were asked what estate planning activities they had completed as a result of or after attending an Extension estate planning meeting. A significant number of respondents indicated that they had begun the estate planning process by holding a family meeting, setting objectives and inventorying assets. The results are summarized in Table 4.

Table 4
ESTATE PLANNING ACTIVITIES
COMPLETED AFTER OR AS A RESULT OF
ATTENDING AN EXTENSION ESTATE
PLANNING MEETING

Activity	Number of Responses
1. Inventoried assets	60
2. Held a family meeting for estate planning	41
3. Set objectives for estate planning	38
4. Drawn a will	36
5. Changed life insurance ownership	10
6. Purchased life insurance	8
7. Gifted property	8
8. Sold property	8
9. Set up a trust	2

Advertising For Meetings

In an attempt to evaluate the relative importance of means to notify the public about Extension meetings, the survey included a question on how they learned of the estate planning meeting. The most frequently cited response was their local newspaper followed by letters and radio. The results are shown in Table 5.

Table 5
HOW DID YOU LEARN ABOUT THE
EXTENSION ESTATE
PLANNING WORKSHOP?

Category	Number of Responses
Newspaper	81
Letter	47
Radio	33
Public notice	28
Other	23
Friend or neighbor	17

Summary of Findings

Nearly 70 per cent of those attending estate planning meetings did so for the first time. Approximately half of the respondents were active farmers and professionals. Many of the latter are in the estate planning business and in a position to advise on and implement estate planning activities. The most important reasons cited for attending the Extension estate planning workshops were to reduce settlement costs and to learn how to start or complete an estate plan. The most frequently cited means of learning about an Extension estate planning workshop was the local newspaper.

An important result of the survey and the estate planning program is evidence of behavioral change. A significant number of respondents indicated they had initiated estate planning activities as a result of or after attending an Extension estate planning workshop.