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## Pet Trusts: Estate Planning for You and Your Pets



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### *Estate Planning for You and Your Pets*

For so many of us, our pets are members of our family. We keep them safe, protect their health, and hope they live long and happy lives. But what if your pet outlives you?

It's not a pleasant thought. According to Michael Blacksbury, an estate planning attorney, each year 500,000 pets are euthanized when their owner(s) predecease them.

If you're worried about what might happen to your much-loved pet after your death, it's possible to create a **pet trust** to provide for the continuing care of your animal(s). You don't have to have assets on par with the late Leona Helmsley to provide for your pets.

When she died in 2007, Leona Helmsley left \$12 million to her dog and directed through her will that much of her multi-billion dollar trust be focused on the welfare of dogs. The media attention to the Helmsley estate has prompted many pet owners to ask themselves, "What will happen to my pet if something should happen to me?"

It is estimated that between 20 to 25 percent of US pet owners have established pet trusts. According to the AVMA Web site, pet trusts are recognized in every state except Georgia, Kentucky, Louisiana, Massachusetts, Minnesota, Mississippi, Oklahoma and West Virginia. Cost for a pet trust can range from \$500 to \$3,000, depending on its size and complexity. Adding a pet trust to a basic estate planning package at the same time a will is drawn up may keep it more affordable for pet owners.

A professional estate planner can help you develop a plan to assure your pets have continuous care for that day when you don't return home. Unlike a will, a trust can provide for your pet immediately and can apply not only if you die, but also if you become ill or incapacitated. It's important to be as specific as possible in drafting a trust for your pet. Essential elements of a pet trust include accurate contact information of a trustee, alternate trustee, care-giver and alternate caregiver; proper identification of your pet (microchip, DNA information, recent photograph of your pet's distinguishing features); a detailed outline of the standard of living you wish your pet to receive, and instructions for the disposition of your pet's body when it dies.

Financially, you will want to be sure the trust is funded with sufficient resources to adequately cover the costs of

your pet's care plus costs associated with administering the trust. Legislation for pet trusts has focused on allowing pet owners to set aside funds necessary to provide their pets with reasonable care, including food, shelter and veterinary care, but not for lives of extravagance. When determining the funding level of a pet trust, consider your pet's life expectancy, current and future medical costs, trustee fees, whether or not to compensate the care-giver and cost of basic care.

A pet trust may also fit nicely with your philanthropic plans. When the trust terminates upon the death of your pet, you can predetermine where to direct the assets of the trust. Currently at Penn Vet, trusts and estates are providing needed funding for scholarships for veterinary students, support of distinguished faculty and staff, and clinical research at both Ryan Veterinary Hospital and New Bolton Center that will change the face of veterinary and human medicine.

An example of this is the choice made by the late Mrs. Isabel Robson. Isabel Robson was a great friend to animals. During her lifetime she was named Horsewoman of the Year in 1979 and won Best in Show in 1986 at Westminster with her Pointer. In her will, Mrs. Robson strategically provided for the care of her beloved horses and dogs, entrusting friends and associates with their care and specific instructions on how she wished them to live out their lives. She then bequeathed a significant portion of her estate to establish endowed funds dedicated to the research of the diseases of horses and dogs. Today her gift is supporting multiple innovative research projects, including investigating equine orthopedics and canine cancer.

If you have considered a charitable gift to Penn Vet, a pet trust may provide the answer to both caring for your pets should you no longer be able and providing for the future of veterinary medicine through a charitable gift to the School. Lynn Ierardi, JD, director of Gift Planning, works with the School of Veterinary Medicine helping donors explore possibilities of estate gifts and gifts using assets other than cash. For more information you can contact Lynn Ierardi at 215-898-6171 or [lierardi@dev.upenn.edu](mailto:lierardi@dev.upenn.edu). 