

# *Foreword*

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The objective of this workbook is to provide readers a solid foundation upon which they, and all of the people involved, can understand basic farm and forest succession planning concepts and processes. Of equal importance, this workbook seeks to prepare all of the individuals to effectively search for and use the appropriate professional services required for the development of a high-quality farm succession plan.

Throughout, this workbook assumes that the farm transfer will take place between two families, related or unrelated, and that their business relationship will continue over an extended period. However, the information contained in the manual is certainly applicable to a wide range of situations.

Successful farm succession planning takes a comprehensive approach that involves all of the planning categories discussed below. Given the potential for each chapter to be used independently, some information may be reiterated in several chapters. Lastly, this manual is meant to be used in conjunction with the Web site [www.farmlandlegacy.org](http://www.farmlandlegacy.org) where updated chapters, additional references and information on upcoming conferences and training will be continually added.

The workbook is organized as follows:

***Chapter 1: Why Succession Planning?*** – This chapter introduces the basic concept of succession planning and provides insight as to why succession planning is so important to farm families and Tennessee’s agricultural sector.

***Chapter 2: The Family Discussion*** – This chapter examines the critical importance of communication in the farm succession process.

***Chapter 3: Taking Stock of Your Estate*** – This chapter guides the process of generating records for succession planning as well as those needed for improved decision making.

***Chapter 4: Business and Organizational Structure*** – This chapter presents the various options for structuring a farm or family business and describes the factors that should be considered in choosing a particular structure, including how the structure fits into a succession plan.

***Chapter 5: Estate Planning Tools*** – This chapter covers wills, trusts, powers of attorney and other documents and information for developing an estate plan to transfer assets to the next and future generations.

**Chapter 6: Acquiring Professional Services** – This chapter provides guidance on identifying, choosing and working with professionals, such as attorneys and accountants, to formulate and execute a succession plan.

**Chapter 7: Retirement Planning** – This chapter presents available options and emphasizes the need to plan properly for retirement.

**Glossary** – This section provides definitions for key words found throughout the workbook.

**Additional Resources** – This section lists a variety of resources that may be of use to families involved in succession planning.

**Appendix** – This section contains worksheets to assist you with developing your succession plan. The worksheets are referenced throughout the chapters and are organized accordingly.

## **Legal disclaimer**

The materials in this workbook are provided for educational purposes only. While workshop presentations and the materials in this workbook involve issues of a legal nature, they should not be relied upon as legal advice, nor should these materials be used as a substitute for the services provided by a qualified legal or other professional familiar with your individual circumstances.