

HERITAGE

PLAN AND PROTECT!

BY MICHAEL WARE



GUNS.

I WANT MY collection of firearms, knives, bows, fishing gear, and accessories to be passed down to my children and others as I see fit. How is this accomplished you ask? I asked some attorneys well versed in future planning into our shop to discuss this so we could consider our options and provide them to you.

There are many options available to you all, but the 'firearms trust' is becoming more prominent in many states. When I spoke with Bill Gustoff, of Whitaker Hagenow & Gustoff LLP of downtown Des Moines, he was clear that trusts provide a neat and tidy umbrella of ownership. Essentially when we have a lawyer form a trust it begins as a "revocable" trust and the person forming the trust, or trustee, can add or subtract members to be included in the trust at will. When the trustee who has formed the trust passes, the trust then becomes "irrevocable" and is set in stone. Up until that time people and items can be added or subtracted from the trust. Bill mentioned that the trend in trusts is to now include items far beyond firearms, and the suggestion of a 'super trust' to include many items is no longer a foreign concept.

It was easiest for me to think of a trust as a corporation or business. Here's an example that helped me. I formed a business that now owns several company vehicles. I and other officers of the company have access to the company vehicles for our use. Should I die, the company remains intact, and the access to the vehicles remains the

same. The trust, in a nutshell, holds the same impact. In our case, we're simply forming a trust for the purposes of a firearms collection ownership.

When I spoke with Jamie Arnold, of Otto, Lorence & Wiederstein, PLLC in Atlantic, Iowa, he expounded on the trust as the owner of the collection. Forming a trust and having your collection under the umbrella of a trust avoids taxes or

THE PUBLIC DOESN'T NEED TO KNOW OR HAVE ACCESS TO THE CONTENT OF A TRUST EITHER, SO YOUR PRIVACY CAN BE HELD TO LARGE DEGREE.

fees generally associated with changes in ownership or the passing of the originator of the trust. The public doesn't need to know or have access to the content of a trust either, so your privacy can be held to a large degree. Jamie reminded me that the probate, or the proving of the validity of your will, is avoided upon your passing with the use of a properly formed trust. Simply put, Jamie agreed with me that a properly formed trust can make things very neat and tidy upon your passing and remove a lot of the red tape associated with a person's death.

Jamie outlined the case for using a trust for registered weapons too. As an

attorney who has practiced in the south he was familiar with suppressors and other NFA items people include in their trusts. The vast majority of other states allow all sorts of NFA weapons, such as suppressors, short barreled rifles, short barreled shotguns, machine guns, etc. while Iowa is lagging far behind the rest of the nation. When an individual has a transfer of an NFA weapon to their possession from another person or dealer, they pay a \$200 transfer fee each time the item changes hands. If you owned a suppressor and wanted to hand it down to little Johnny when he's of age, he too will pay the \$200 tax stamp and wait months for the ATF to process the paperwork. This assumes the \$200 stamp

doesn't increase in cost and ATF is only waiting months to approve transfers and not years. I can easily see the cost climbing and the wait times

increasing. In the case of a trust, the trust itself is comprised of responsible persons, and the trust owns the suppressor. Thus, you form the trust, buy the can, add Johnny to your trust, and when you ascend to the pearly gates, Johnny being a responsible person and member of the trust incurs no transfer costs and wait times. Heck, he could use it before your passing of course as he's a member of the trust that owns the suppressor. Again, use my company or business analogy with the company vehicles as a parallel and it'll become clearer.

I had visited with my long time friends Bill and Jamie who represented central and western Iowa, both of whom



probably wear Second Amendment boxers, but I wanted to visit with somebody new as well. My search was easy, as Eric Puryear, of Puryear Law P.C. in Davenport, was recently featured in the Quad Cities news for his offering of monthly bonuses to this employees who opted to attain and hold an Iowa Permit to Carry. What better gentleman to ask, right?

Eric touched on all the same things I'd visited with Bill and Jamie about and I found us both talking a bit more philosophically about this kind of future planning. Eric encouraged the use of a trust and recommended that we ask ourselves what the goals are for the trust we seek to form. What is the big picture, what do you want to protect, and for whom? He was clear that a will isn't the end of dealing with your passing, but rather the beginning for others. Having a plan with your wishes and needs clearly outlined was a genuine benefit for those left behind in his estimation and I agreed with him.

One thing he touched on was the consideration of other future planning while you're having your lawyer work up your trust. Honestly, that was pretty sage advice too. After all, we're asking an attorney to gather a bunch of information up for us, so why not consider taking care of all the work in one shot?

My wife and I had some pretty good friends die in a car accident as they left a restaurant one evening. They were both 28 at the time with two kids at home left without parents. They had no will, and there was no future planning whatsoever for the family and friends to sort through. It was a genuine nightmare for all of the folks left behind. When my mother-in-law passed we found out things weren't

as prepared as we'd hoped and it was quite a time to contend with all the grief, arrangements, and the addition of estates, probate, and things left undone.

When people consider future planning there is no cookie cutter plan as near as I can tell. You'll simply have to come up with a list of things that need to be done, contact a good lawyer, and begin. Bill noted that nearly 80% of Americans don't have a future plan at all. That's a lot of property, family

heirlooms, child guardianship, money, or other considerations you'll be leaving up to decisions of others and with the involvement of the state. Do you really want the state deciding what goes where and to whom while they send your estate a bill for the work? Not me!

I must end this article with a personal note. Even though I discussed this article with three top tier lawyers, use this information as a reference rather than a rule. Law is a pretty tricky thing, and I'd feel terrible if I'd passed some information to any of you that didn't work well. When my publisher, Patrick McKinney, and I discussed this article I wanted to gather information for you all to read and ponder. It was my goal to illuminate some options available to you and do so triggering you to act. Whether you're the king of the world or a guy living in a van down by the river, you have things to pass on and wishes for how you'd like to see things carried out. There are methods of planning available to you that should be implemented. The trusts and future planning are invaluable for you as collection holders. I'm of the opinion the largest benefit of all is how comforting it'll be to those you leave behind that you took care of your obligations so they aren't burdened with it. 🐾

