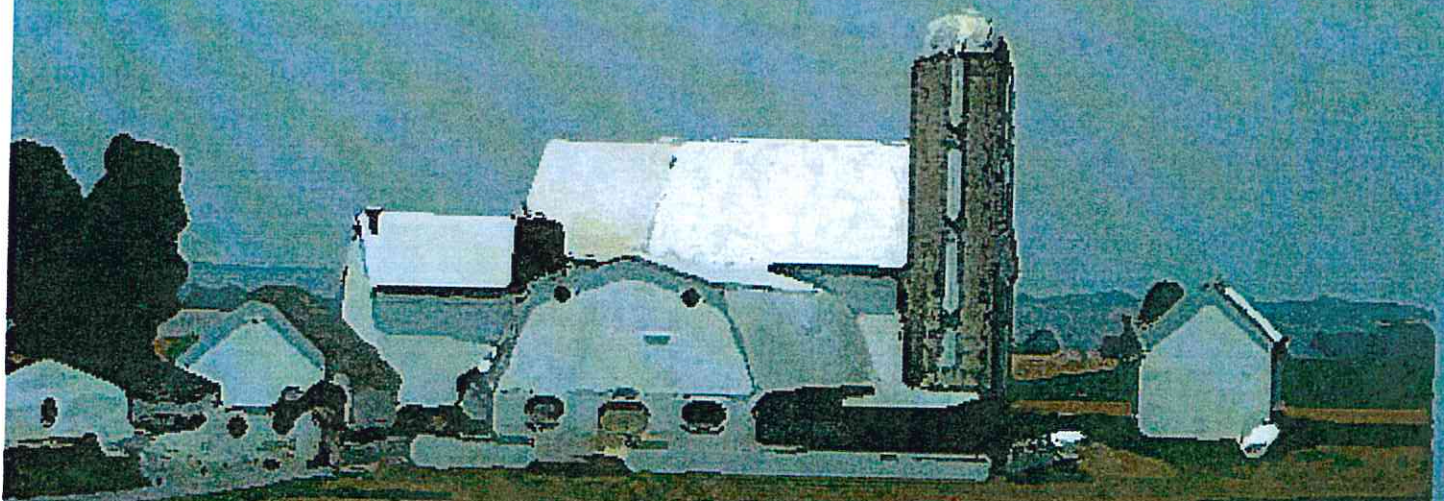


# Planning the Future of Your Farm

A Workbook Supporting  
Farm Transfer Decisions



A Publication of Pennsylvania Farmlink

# ABOUT THE PENNSYLVANIA EDITION

**P**lanning the Future of Your Farm is a workbook for those families who *want* to keep their farmland in production and/or “in the family” as it passes to the next generation. The workbook is for those willing to commit the effort required to manage such a ongoing project. The workbook you are holding has been updated and adapted for Pennsylvania from previous editions published from Georgia to Virginia. Feedback from families using earlier versions has been incorporated into this edition.

Planning and managing the orderly distribution of family land is a long term project that addresses challenges as they emerge. It is more than simply getting a set of legal documents signed: it is an ongoing series of transactions executed inside a flexible framework. Planning a future for your farm and land requires articulation of your goals, understanding the value and utility of your wealth, and a fair comprehension of the goals and life challenges of your family members. This workbook focuses heavily on getting prepared to effectively manage the legal process for transferring real property and working farm assets across generations.

The planning process also requires the help of professional advisers. This workbook was developed to help families communicate and harness information by gathering it into an orderly and productive process, maximizing the value of professional planning help. Under good guidance this process should produce the legal documents necessary to manage the risks of farm transfer.

Like the farm transfer process itself, the development of the *Planning the Future of Your Farm* workbook series has been a continuing and expanding project to help address issues that are at once local, regional and national in scope. It began as an effort to harness useful materials related to farm succession that were spread in many different sources across the country. The first collections of materials (copied into 1” binders) were initially used in the farm succession education campaigns begun in 2004 in Virginia and North Carolina. The

collection evolved into a bound workbook, which has been updated and adapted to an ever-growing region, keeping pace with changes in (mainly) federal tax law. The copy you are holding was adapted specifically to Pennsylvania.

The workbook has been continually defined by the questions and concerns that farm succession education campaign participants bring to meetings, in groups and at the kitchen table. Many are concerned about specific tax and legal issues of estate planning, others about conservation income options, still others about the roles and trustworthiness of professional advisers. As the number of farmers has declined in the generation born since World War II, many families came to workshops wondering what to do with a farm when there was no one else in their family dedicated to the enterprise.

This edition, adapted and published for Pennsylvania Farmlink, helps address the one question that stands out everywhere, persistent and perplexing: *Who will farm the land?*

*Planning the Future of Your Farm* certainly helps those who already know the answer, and can be used as a guide through many challenges. The workbook also addresses this question for landowners willing to search for that answer. This workbook can support the decisions of landowners who value that their land stay in farming, and are thus willing to offer land lease or purchase terms to help new farmers get established.

For newer farmers, the opportunity afforded by workshops that bring an ownership generation in the room - while challenging them to think about the future of their land - cannot be underestimated. Newer farmers - those at the beginning of their career that are seeking a farming opportunities - can meet older landowners in an atmosphere where all parties are learning about planning challenges and how to overcome them. Who knows what could develop?

Andrew Branan, Editor  
June 2013

# FORWARD AND ACKNOWLEDGEMENTS

Farm owners and the next generation seeking to transition the farm will find this workbook extremely valuable in developing a solid transition/succession plan. I am excited to have it adapted specifically to Pennsylvania, as the Virginia edition of “Planning the Future of Your Farm” workbook has already benefited Pennsylvania farm families as they worked through the process.

I think of this workbook as a great desk reference; one you will want to keep handy as you utilize the worksheets and work through the process of succession planning. The worksheets allow you to work through many essential elements of consideration as you develop a plan that is right for your farm and the families involved.

The printed information provides available options and items to consider as you work through the planning process. These subjects may have been addressed in a meeting or workshop but it’s hard to remember all the information you take in during an event. “Planning the Future of Your Farm” serves as a desk reference you may review as needed.

While you will need to consult professionals to complete the succession plan this workbook enables you to develop your needs and desires as you meet with the professional.

My advice to farmers is to take transition/succession planning one step at a time and as you complete one step you’ll be encouraged to continue the process. Planning is a lot of work but it’s also worth the work as you see the farm move forward to the next generation!

If a facilitator is helpful Pennsylvania Farm Link can provide a facilitator for meetings to assist necessary conversations. Facilitators are certified through the International Farm Transition Network Certified Succession Coordinator program.

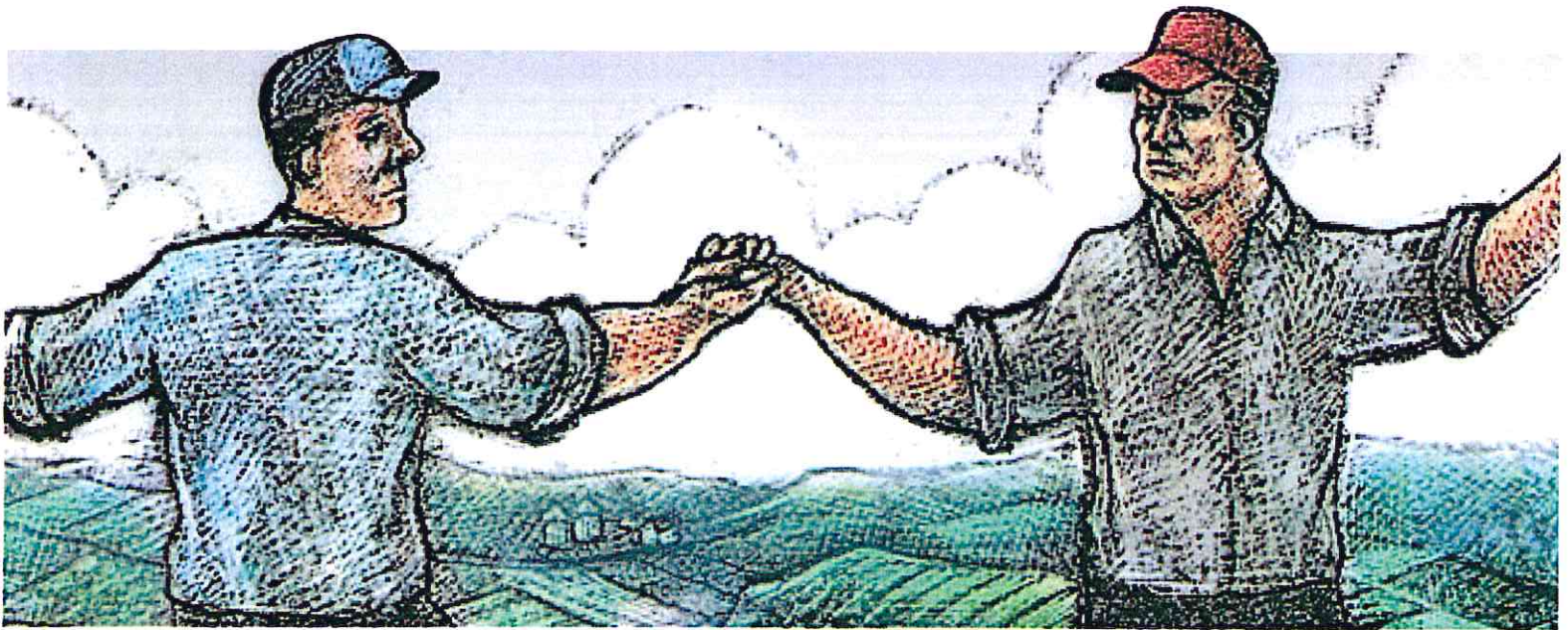
Thank you to Mr. Andrew Branan for developing this workbook and editing it for Pennsylvania farmers. I know it will be a valuable asset to Pennsylvania agriculture!

**Darlene Livingston**  
**Executive Director Pennsylvania Farm Link**

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# A **Farm**LIFE/inside agriculture *Special Report*



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*At its heart, succession planning is about preserving an agricultural legacy and the heirs who inherit it.*
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- 8 **Know Your Options**  
*While there is no one-size-fits-all approach to succession planning, there are steps you can take to evaluate your operation and craft a plan that's right for you and your family.*

# Guide to Succession Planning: Passing on the Farm

