

# ***The “Daily Plan-It™”***

*HELLMUTH & JOHNSON, PLLC*

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## ***Who Will Care for Hachi?***

There are 86.4 million cats and 78.2 million dogs owned in the U.S., according to the American Pet Products Association.

The Humane Society of the U.S. estimates that each year, 400,000 pets need to find new homes because their owners died.

Have your clients made provisions for their beloved pets? Are they **absolutely sure** a loved one will look after them?

### **Loyalty Should Be Repaid**

Perhaps your clients doubt that formal planning for a pet is really necessary and say something like this:

*“Our daughter will take in our dog, Buster. I’m sure of it.”*

Consider recommending that they rent the movie ***Hachi: A Dog’s Tale***. This tear-jerker is based on the story of the famed Japanese dog, Hachiku. In the 2009 movie, Hachi and his owner, played by Richard Gere, walk to a train station daily as Gere’s character goes to work. Hachi returns each evening to greet him and they walk home.

When the man dies, his wife and adult daughter are too shocked to deal with the dog and essentially abandon Hachi, who returns to the train station. For 10 years, Hachi lives off scraps and sleeps under a railroad car. He eventually dies after a decade of mourning his owner.

If my family let this happen, I’d probably haunt them.

### **You Don’t Have to Be Leona Helmsley**

To ensure a pet receives proper care after a client dies, I encourage clients to set up a formal Trust. I’m not talking about setting aside millions of dollars the way hotelier Leona Helmsley did for her dog, Trouble. I’m suggesting a sensible fund that will cover medical needs, food and housing needs over the pet’s expected lifetime.

Until recently, most people set up simple honorary Trusts that left lump sums to beneficiaries to care for their pets. But this relies on people’s willingness to honor the deceased’s wishes and spend the money on the pets—and that’s a leap of faith some pet owners aren’t willing to take.

### **Options for Pet Trusts**

There is more than one way to handle this planning, and it

can be tailored to your client’s unique situation.

A **Traditional Trust** requires a client designate a Trustee who pays money to the beneficiary who cares for the pet.

A **Statutory Trust** is a simpler plan in which state law dictates the details of how your pet Trust is executed.

The planning can be either a **Living Trust**—which takes effect immediately and protects your client if he is disabled and unable to care for his pet—or a **Testamentary Trust**, which kicks in after the client’s death.

It’s also important for clients to leave behind a list of instructions about how they would like a pet to be cared for in terms of food and routine, grooming and medical care. Clients should check with potential Trustees and beneficiaries to ensure that they will take on these duties.

As always, I hope this article has helped you and your clients. If you need any assistance, please contact our office.

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Tim is a partner in the firm with 27 years of experience.

Susan brings over 15 years experience. Both Tim and Susan specialize in Estate and Business Planning, Probate and Trust Law, and related Tax matters. They assist clients in creating estate plans that provide for the control, maintenance, and disposition of their assets in a manner consistent with their objectives.

**Hellmuth & Johnson, PLLC** has 38 attorneys and is a full service firm offering legal services to individuals and businesses, with a heavy concentration in real estate, real estate construction and litigation matters.

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