

Till pets do us part

More animals become part of estate plans as owners set up trusts

By *Ruth Mantell*, MarketWatch, from **Dow Jones**

Last Update: 3:39 PM ET Aug 3, 2007

WASHINGTON (MarketWatch) -- Some of us need more looking after than others. Take Shelley, for example. The black standard poodle gets acupuncture every other week to treat her arthritis.

She is also named, along with another dog and three cats, to benefit from a \$10,000 trust fund if her owners die before she does.

"Our pets are an extremely important part of our lives. It's critical that our pets will be well cared for. [Our] children are all self-sufficient adults who will be provided for in other ways," said Joan Bortnick-Wimbish, Shelley's owner.

Bortnick-Wimbish, a former personal shopper at Bloomingdale's, is in her early 70s. The Virginia Beach, Va., woman established the trust for her pets this year -- she was already updating a will -- in a process that took about two weeks. She feels secure knowing that if any of her animals need medical attention the trust will be there, even when she and her husband are not.

"Veterinary expenses are very high," said Bortnick-Wimbish. "If something were to happen to us jointly, we have people who we know would take care of our animals."

Bortnick-Wimbish is one of a growing number of pet owners who are looking to ensure that their animal companions will be secure after the end of their journey together. About 63% of households in the United States own a pet -- that's about 71.1 million homes, according to a survey from the American Pet Products Manufacturers Association Inc. As many as 25% of families with a pet have provided for their animals through wills or trusts, said Sara Amundson, executive director with the Humane Society Legislative Fund. "People really consider pets as members of their family," she said.

Each year two million to four million pets are euthanized, some because they lost their home when their guardian died. Pet owners have a responsibility to make sure that their furry friends don't end up in a shelter and become "a burden on the municipality," Amundson said.

Trusts are a 'babysitter's note'

Pet trusts began to gain steam in the early 1990s, and now 39 states and the District of Columbia have come to recognize them, according to Amundson. There is also proposed legislation in the House of Representatives to amend the Internal Revenue Code to treat charitable remainder pet trusts like similar trusts for people.

Rachel Hirschfeld, www.pettrustattorney.com, an attorney specializing in pet trusts and practicing in New York State, said she gets 10 calls about pet trusts for each one that she received five years ago. In the past few years, she's worked on dozens of pet trusts.

It's important to plan ahead for the health of your pet, Hirschfeld said, and suggested providing for conditions at least six months in the future. "This is like a babysitter's note, you plot every detail in it and you leave instructions as to how you want things done," she said.

Pet trusts enable owners to leave money earmarked for the care of their animals, and specify how they want pets to be treated. In comparison, wills are used for disbursing assets, but instructions about treatment are not enforceable.

If a trust is written to provide for any animal alive at the time of the death of the original pet owner, then there is no need to change the trust to add pets that may have been acquired or subtract those who have died.

But before naming friends or loved ones as trustees for your pet and funds, make sure they're ready.

"It's a serious responsibility. If it's not followed, you can go to jail," **Hirschfeld** said. "Trustees do not have the right to make decisions other than those detailed in the trust."

What's it cost?

One trust can cover as many pets as an owner wishes. However, if an owner wants each pet to be cared for in a different manner then the trust will take more time to create, pushing up the cost.

Expect to spend at least \$1,500 to \$2,000 to establish a trust, which requires the skills of a professional, according to Kim Bressant-Kibwe, trusts and estates counsel with American Society for the Prevention of Cruelty to Animals. **Hirschfeld's** rate starts lower than that range, but the price rises depending on the services that are desired.

Owners should start thinking about establishing a trust "the minute" they acquire an animal, recommended Bressant-Kibwe.

"Life isn't guaranteed to any one of us," she said. "People are particularly interested in pet trusts because they reach beyond the grave."

If you don't want to spend the cash or time on a trust, try setting up a bank account with someone whom you trust to care for your animal.

"Pick the right person and hope that when the time comes that they'll have enough integrity to follow your wishes," Bressant-Kibwe said. "Leaving a little money for them sweetens the deal."

■
Ruth Mantell is a MarketWatch reporter based in Washington.