

And To My Dog, I Leave a \$10,000 Trust Fund

by **Maryann Mott**, The New York Times
Reprint



If you're like many pet owners, you want the best for your dog or cat. You give it premium food, good veterinary care and bring it with you on vacation.

But what happens to your pet if you die or become incapacitated?

Unless specific provisions have been made, your pet could wind up in a shelter and be put to death. If you plan ahead, though, your pet can be well cared for. In addition to arrangements with friends and family, there is, increasingly, a formal option.

Laws in 27 states – including Arizona, Colorado, Florida, New Jersey and New York – now allow owners to establish trusts for pets. These arrangements set aside money for the care of one or more animals in the event of an owner's disability or death.

Leaving money to a pet became legally possible in 1990, when a section validating trusts for domestic animals was added to the Uniform Probate Code. More states may soon allow it. Pet trust legislation is pending in Connecticut, Hawaii, Massachusetts, Oregon, Pennsylvania, Rhode Island, and Texas.

Setting up a trust for your pet is, in many ways, similar to creating one for a child.

A trustee and caregiver are named. The trustee is in charge of the money and pays the caregiver a set amount each month for expenses, like food, grooming, and veterinary care. At any point, if the caregiver is not doing a good job, the trustee can find a replacement.

These new statutes “allow people without lots of money, without detailed consultations with lawyers, to create a simple provision to take care of their pet,” said Gerry W. Beyer, a law professor at St. Mary's University in San Antonio.

Creating a trust can cost as little as \$100 if you draw up a will for yourself at the same time or up to a few thousand dollars.

Most people, though, don't make formal arrangements, assuming they'll outlive their pet, or that friends and family will take care of it. Consequently, more than 500,000 pets are killed in shelters and veterinary offices each year after their owners die, according to 2nd Chance 4 Pets, a nonprofit organization in Los Gatos, CA., that raises awareness of the problem.

While volunteering at Tri-Valley Animal Rescue in Pleasanton, CA., Amy Shever frequently saw dogs and cats whose owners had died. She noticed many of the pets never adjusted to living in a shelter and became fearful or defensive. Consequentially, nobody wanted to adopt them. “I personally witnessed a lot of these animals getting euthanized,” said Ms Shever, who is the director of 2nd Chance 4 Pets.

Last year, she started PetGuardian, a company in Los Gatos that creates pet trusts for birds, horses, dogs and cats. For \$500, her company enrolls its customers in a program that includes a comprehensive pet trust document, a cost analysis to determine how much money to set aside for the pet's care and emergency identification cards for owners to post at home and carry in their wallets.

As part of the program, she said, the Best Friends Animal Society, a large no-kill shelter in Utah, finds homes for pets, no matter where they reside, if the caregivers named in the trust are no longer available.

A detailed instructional sheet is also created so animals continue

to receive care in the manner they're accustomed to. One of Ms Shever's clients, for example, stipulated that her dog be fed barbeque chicken in the morning and grilled ribs at night. Others want their pets to sleep only on beds of a certain density and to receive special squeaky toys.

So far, 500 clients have either started or completed the program, she said, and owners typically leave between \$8,000 and \$15,000. The largest sum a client left was \$200,000 for the care of two African birds that can live 90 years or more.

If clients have a hard time setting aside money for the trust, Ms Shever recommends they talk to their insurance agent. "One really great way to fund these trusts is to have the beneficiary of your life insurance policy use the money to cover the pet trust," she said.

If money is no object, the trust can act like an endowment, experts say, with the interest generated covering the expenses. Then, when the pet dies, the remaining balance can go to a charity or family member.

Estate planners warn, though, not to put excessively large amounts of cash or property in the trust because it may encourage heirs to contest the arrangement. Courts have the power to reduce the amount if deemed unreasonable.

Another concern is that a dishonest caregiver could fraudulently extend the life of

the trust by replacing an animal when it dies with a look-alike in order to continue receiving the funds.

The best way to prevent fraud, trust experts say, is to get a DNA sample from the animal. Then, if the trustee becomes suspicious, a comparison can be made.

Instead of a trust, owners can include a provision for pet care in their will. But William A. Reppy, Jr., a professor at Duke Law School in Durham, N.C., said there were some drawbacks to that approach. A will takes effect only upon your death, not if you become ill or incapacitated. And it must go through probate, which can temporarily freeze funds for your pet's care and delay determining the rightful new owner.

Most people need to realize that instructions in the will for the care of the dog are not enough because it may take time to find the will," Mr. Reppy said. "It would be best if neighbors had instructions on what to do in case of an owner's death."

After an accident or death, pets are often overlooked during the confusion and grief that follows.

To prevent this, estate planners suggest that owners find at least two people to act as emergency caregivers, provide them with keys to your home, feeding and care instructions, and information about the permanent care provisions you've made.

Robert Blizard, director of donor marketing and outreach for the

Humane Society of the United States, says people often rely on verbal arrangements with friends and family members. Instead, he said, a solid plan for a pet's continuing care is needed.

"By owners thinking about these sorts of things ahead of time, putting them in writing and reviewing this information periodically, it puts their pets on the road for receiving the right care," he said.

That's what Beverly Eagan did. In December, her husband, Larry Tuteur, and she hired a lawyer to create a \$10,000 trust for each animal owned at the time of their death.

The couple now owns three large cats – Dust, Devin, and Merlin – and a tiny Yorkshire terrier named Mouse.

"You never know what the future is going to bring," said Mrs. Eagan, 58, of Santa Rose, CA. "I wanted to make these decisions when we were healthy and well."

