

Advice on the Small Stuff

By Kelly Greene
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A recent column about inheritance planning prompted readers to share some of their own experiences in doling out the "small stuff."

When a family member dies, any strain in the process of dividing up the estate usually surrounds household objects with more sentimental value than monetary worth. But many parents don't anticipate those kinds of problems when they make their wills; thus, they don't leave specific instructions about who gets what, often putting brothers and sisters in an awkward spot at best, or causing a permanent rift between siblings at worst.

Jacquelyn Cotter, who lives in Sacramento, Calif., notes that her family found a good strategy for dividing things fairly. For starters, gifts given by an heir to the person who died went back to the heir. So, for example, her brother got back the string of pearls that he had bought their mother in Japan while he served there in the Navy. Next, the family had an appraiser value every item in the home.

"When that was done, the heirs gathered on a weekend, and we went through the house item by item," Ms. Cotter writes. "If two or more people wanted the same item, a coin was flipped until there was a final winner." Anything that went unclaimed was sold. "In the end, every person's items were added for an individual final value number, and since naturally some people had taken more than others, the dollar amount was evened up in the final distribution of cash" after the estate was settled.

"That way everyone felt that they were treated fairly, although they may have regretted losing a coin toss or two," she notes. "And best of all, there were no hard feelings!"

Joseph Tether, a reader in Myrtle Beach, S.C., says he and his wife, who have seven children from two marriages and 13 grandchildren, realized "the probability of serious conflicts" two years ago when they sold their larger home to move into a smaller one. It was "open warfare over chairs, tables, paintings, etc.," Mr. Tether writes. "We looked upon it as a preview of what might happen when we have left the planet."

They started looking for solutions, and decided against making a list of specifically who would get what. Using the "yellow pie plate" metaphor from our earlier column for treasured keepsakes, he notes, "'Yellow pie plates' break or are lost or are sold or are repainted some other color." Instead, the Tethers set up an auction process. Their executor would have their possessions appraised, then their direct descendants would be entitled to bid on any object beginning at its appraisal value, with winning bids deducted from that person's share of the estate.

A couple of their children consider the method "cold and insensitive," he says, "but our lawyer liked the concept and thinks it will work. Too bad we won't be around to find out."

Whatever strategy you choose, Toronto estate-planning attorney Les Kotzer advises talking to your children about it.

"Too many parents think that when they die, it's going to be like Christmas morning, and everyone's going to open the presents and be surprised," he says. "You don't want to shock. You don't want to surprise. Your wishes should be known already."

That way, if you unwittingly have made assumptions that could damage relations among your children -- such as that your children won't mind that everyone gets the same inheritance even though you paid

\$50,000 for one child's medical-school bills -- they can raise those issues with you now. Mr. Kotzer, co-author of a book called "The Family Fight: Planning to Avoid It," offers more examples at his Web site (familyfight.com).