

Steve Leimberg's Estate Planning Email Newsletter - Archive Message #1367

Date: 06-Nov-08
From: Steve Leimberg's Estate Planning Newsletter
Subject: Why Do Celebrities Still Use Wills?

Many years ago, I was asked to speak on the Jane Bryant Quinn TV show.

When the limo picked me up, there was a couple in the backseat - he, a tall, rugged, handsome, and somewhat familiar looking guy and she, a stunning blonde. He introduced himself as John Wayne's son, Michael. The classy lady was his wife.

They told me that Michael would also be on the show. When I asked why, he said he was there to discuss the headlines that his father left nothing in his will to his children. At the end of this LISI, I'll tell you what Michael Wayne told me.

What Jeff Baskies shares below is very much in the same theme – and my limo ride was a good estate planning lesson on how the stars *should* be doing it.

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Jeff has been named among the nation's top 100 estate planners by Worth magazine, is listed in Best Lawyers in America, and is also included in the ubiquitous "Super Lawyers".

EXECUTIVE SUMMARY:

Take a break from the Code and Rulings and relax for a few minutes while Jeff takes you to Hollywood for glitz, glamour, and wills.

COMMENT:

On October 23, 2008, a headline on Foxnews.com read:

"Isaac Hayes Leaves Nothing for Scientology."

Interestingly, it was also a headline on "Cele/bitchy.com".

Is that what Isaac Hayes would have wanted?

Maybe it is.

However, it seems unlikely he would have preferred to have his personal information shared with the whole world, if he knew he could have avoided such publicity very easily.

Obviously, I don't really know what Isaac Hayes would have preferred, and I don't know if the options were offered to him. So I don't mean to comment on

the attorneys who represented him. Obviously I didn't represent the man who brought us the theme to "Shaft"! However, logically, wouldn't a public figure like this prefer to keep his personal affairs private? (Maybe he did!)

A quick Google search revealed that many celebrities planned their estates by will, wills that will be readily available for *anyone* to read – for free. Which made me wonder: *why do* celebrities still use wills?

We all know that a revocable trust avoids probate and thus does not generally become a public record. A will on the other hand is *always* a public record. But if the will simply pours over to the revocable trust (i.e. it only says "I leave my entire estate to my revocable trust"), that should keep the on-lookers at bay and keep the celebrity out of the news.

THE GOOD OLD DAYS VS. THE AGE OF THE INTERNET:

I know that 30 or 40 years ago, clients might not have thought about avoiding probate via revocable trusts. Such trusts were not very popular vehicles back then.

Moreover, 30 or 40 years ago, the cult of celebrities and the slavish manner in which the public focuses on their every move had not developed to the levels of today.

So the idea that 40 years ago a celebrity died with a will – even though it was a public record – does not surprise anyone.

But why does it still happen *today*?

The fact is revocable trusts are extremely publicized today. You can't live in certain parts of society today without hearing about them all the time. Rumor has it in some of the condo communities in Florida, you can't go to the pool without one!

The point of this column, however, is not to debate the relative costs and benefits of using revocable trusts. I will accept for the moment that the benefits of avoiding probate may be overstated and oversold in many situations. However, it seems likely that's *not* the case for celebrity clients.

In the "good old days" perhaps people didn't care much about the wills of celebrities. 40 years ago, I sincerely doubt their wills made headlines like they do today. While I have no empirical evidence to confirm this, I'm guessing a settler in the west didn't care as much about the contents of Mark Twain's will as a modern day resident in Tinsletown cares about Anna Nicole Smith's estate plan.

Even 30 or 40 years ago, it seemed society was not as celebrity obsessed as it is today. The environment of the day may explain why John F. Kennedy left his plan to public view in a Last Will. However, knowing the society we live in, why did John F. Kennedy, Jr. do the same?

As a result of the celebrity-centered world we live in (I am certain there are people we know who can actually name all of Angelina Jolie's children) coupled with the instant gratification and information-spreading of the internet, the rules have changed for celebrities.

Given that environment, I can't help but wonder why some celebrities leave their estate plans out there for the world to see, by not using revocable trusts.

PUBLISHED ON THE WEB FOR ALL TO SEE

For example, isn't it ironic that Princess Diana was hounded to her death by the paparazzi, yet she left a will for them to pore over after she was gone? Now anyone with a computer can find out that Princess Diana changed her executors in a codicil and left an estate in trust for her sons (Prince 1 and Prince 2) until the age of 30.

An American "Princess" (Jackie Onassis), similarly left her estate plan in a will for all to see. And who hasn't heard the story of how her kids blew up her beautiful charitable lead trust plan by auctioning off the memorabilia?

Both Harry and Leona Helmsley left their estate plans for all to see. And Leona's has become a virtual "laughing stock" for the size of the pet trust she created. I have no problem with pet trusts and given her wealth, even the amount left in the pet trust doesn't bother me. But what I can't understand is why she left the plan in a will for everyone to read?

Did you know Jerry Garcia left his guitars to the maker, Douglas Erwin? Speaking of Jerry Garcia, you can create quite a jam band of celebrity wills, as the internet quickly offered a glimpses at the wills of: John Lennon, Jimi Hendrix, Janis Joplin, Keith Moon and Jim Morrison. For those who prefer "old school", you can also read the will of the King (Elvis Presley) and the Chairman of the Board (Frank Sinatra).

For movie fans, a quick Google search also revealed the wills of John Candy, Chris Farley, Gilda Radner and John Belushi. If you prefer the classics, you can also find the wills of Marlon Brando, Humphrey Bogart, John Wayne and Walt Disney.

Finally, if you are politically motivated, not only is the will of George Washington published on the web, but so too are the wills of: Franklin D. Roosevelt, Harry S. Truman, Dwight D. Eisenhower, John F. Kennedy, Robert F. Kennedy, Lyndon B. Johnson and Richard M. Nixon.

EDITOR'S COMMENT:

The rest of the Michael Wayne story about his father, John Wayne: Michael told me that his father took very good care of his children financially – but left them essentially nothing in his will – because he'd *already* done his planning through a series of living trusts .

More importantly, he told me that his father insisted that each child learn the meaning of hard work, how difficult it was to make money, and what it was like to cut lawns, wash cars, and do odd jobs for money. The Duke taught his children financial planning - the "old fashioned way".

CONCLUSION

The moral of this story is: if you represent a famous client, do them a favor and recommend a revocable trust!

Jeff Baskies

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