



Santa Barbara Museum of Natural History  
Presented by Development Office – Legacy Giving  
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## PERSONAL PROPERTY DISPOSITION BEST PRACTICE REMINDERS: TIPS & FACTORS TO CONSIDER

*Note that this list includes best practices offered by several professional advisors as well as the University of Minnesota's "Who Gets Grandma's Yellow Pie Plate" program.*

1. Recognize that personal property decisions can have powerful consequences — emotional as well as economic. Decisions about personal possessions involve dealing with the emotional and potential financial value connected to objects accumulated over a lifetime and across generations of family members. Understand the sensitivity.
2. Start the process as early as possible for peace of mind. Planning ahead offers more options/ choices, a chance for thoughtful input and communication and will help ensure that decisions better reflect actual wishes. It also allows sharing special memories and stories that help everyone understand an object's history, meaning and importance.
3. Gather input and make no assumptions. Ask others to identify items that have special meaning to them, or otherwise address meaningful preferences. (Someone may desire a piano or other instrument while others may prefer to receive collectible books.)
4. Identify goals before making decisions, including how you plan to transfer. Discuss what people involved want to accomplish (such as maintaining privacy, preserving memories, rewarding someone, agreeing on what is fair, etc.). This will help reduce mistaken assumptions, guide decisions and keep everyone moving in the same direction.
5. Consider what is fair vs. equitable. How do you and your heirs define value and worth?
6. Select distribution and transfer method options that better fit your goals. Consider options and consequences for gifting, selling, donating, private or public auctions, etc.

7. Consider how to deal with conflicts before they arise. Issues of power and control among family members do not disappear in inheritance decisions. Watch for blaming, and determine if you can agree to disagree if conflicts arise.
8. Consult your professional advisors - to help you prepare a plan that meets your wishes and is effective.
  - This is especially the case in order to address any valuable or unique assets (don't forget that more careful planning is required for certain assets like firearms, alcohol collections, ivory and other banned items due to various federal and state laws.)
  - Address any potential capital gains and/or other tax issues in advance to make better decisions (usually with the sale or donation of a valuable item).
  - If you are including grandchildren, discuss this with your advisors as well.
  - You also want to make sure that dispositions of personal property in couples' dispositive documents mirror each other and deal with the possibility of both spouses dying proximate to each other to avoid accidental outcomes.
9. Put it in writing. If you create a separate listing of important property to be transferred, mention the list in your will. Your wishes can then be known and carried out by estate executors and surviving family members.
10. Hire an appraiser for valuable items or if you just aren't sure of the value.
11. Try to gift during your lifetime when appropriate.
12. Consider donating to worthy non-profits, where appropriate, as this can be a win-win. (For example, you can gift or bequeath a valuable collection to a qualified non-profit; however, you need to know acceptance rules in advance. Be sure to check with the organization and your professional advisor first to ensure the transfer is done the best way, that the charity can accept the gift and to understand how they will use it.)
13. Start identifying and categorizing items now. This is especially true if you want to start downsizing. You might want to create different categories/piles such as donate, give away, sentimental items, valuable items, household items, and an I don't know pile.
  - Think about what objects may be candidates for donation purposes? This is definitely an important question if a house is soon to be sold.
  - What objects are sentimental only? Do they have a story to tell?
  - What objects are "household" (depreciable) only?
  - What objects have the potential to appreciate/increase in worth over time? You might want to photograph.



14. Create an inventory (online tools are available to help) and/or make a video tour of your home/key personal property items and narrate relevant stories.
15. Consider hiring/using an estate liquidator, professional appraiser or third-party fiduciary, as needed.
16. It is usually best to share/disclose your plans and any updates with your CPA, executor, etc.

It would be helpful to learn more about passing on personal possessions, speaking with your family members and your professional advisors and enacting more formal plans.

*Santa Barbara Museum of Natural History contact:*  
*Development Officer-Legacy Giving Rochelle Rose, CFRE*  
*(805) 682-4711 ext. 179 [rrose@sbnature2.org](mailto:rrose@sbnature2.org)*  
*[www.sbnature.org](http://www.sbnature.org)*  
*Fed. Tax #95-1643378*

*This summary document was prepared by Denise Stevens and Elizabeth Stewart in conjunction with suggestions from various professional advisors and the University of Minnesota's "Who Gets Grandma's Yellow Pie Plate" program.*