

## Your Bird, Your World - Plan For Your Bird's Future

**Signing over your estate includes deciding who will take care of your bird and making sure that person has enough funds for your bird's well-being in the years to come**

*By Susan Chamberlain*

What would happen to your bird if something happened to you? Do you ever plan to retire? Will you and your pet birds have sufficient resources for the future? We already consider our birds members of the family, so we should also factor them into our financial plans to secure their future without us. Take time to think about your bird's future.

Patricia Drago, a nationally certified retirement specialist based on Long Island, New York, suggested planning from the perspective of a parent rather than an owner. "Pets are like perpetual children. They're never going to grow up and move away. You plan for retirement for yourself, but when you have pets, you have to be sure that you have enough of a nest egg to support their everyday needs, such as food, toys, housing and other incidentals. Veterinary care is expensive. With birds, especially the long-lived species, it's a long-term commitment."

Find someone willing to take your pets if you die or be the guardian if you become incapacitated. Discuss it with the people involved first, then set aside some money to defray the costs they'll incur.

Drago suggested going with an Individual Retirement Account (IRA) for a conservative savings plan. "The beneficiary can be a trust you've set up to take care of your bird," said Drago. "You can fund the IRA for as little as \$25 a month. This is a great way to go, especially if you're young because the IRA will presumably have a long time to grow."

An IRA offers benefits specially set aside for your bird and its future caretaker. "You want to be specific about this money you put aside for the bird's care," said Drago. "Create a separate fund for the bird in the eventuality that you predecease your parrot, apart from anything you've set up for family members. You may not be able to contribute as much as you'd like to your bird's fund, but whatever it is will help defray eventual costs."

"High- and mid-level investors may wish to consider funding the trust with an annuity," Drago added. "Put the annuity within the trust, and designate it for the care of your bird. You can often fund an annuity or a financial contract with specifically set payments as you go. Again, consult your attorney for specific advice."

### Why Plan Ahead?

The law considers pets personal property. Ownership of the pet will pass to the heir by probate or intestacy, but the heir might not be the person the owner would have chosen to care for a beloved pet. According to New York attorney Halan Freilicher, if something happens to the owner and he or she has not specifically provided for the pet in a will or trust, the law will not distinguish between the pet and the owner's alarm clock.

A parrot might be traumatized by the sudden loss of an owner, and if the court doesn't settle the ownership issue for months, the parrot may be forced to deal with another separation shock just as things were settling down.

Now that you've decided which investment plan is best for you and your bird, how much money will your bird require? BIRD TALK magazine reader Terri Pakula of New York established the amount she put in trust for her birds by first estimating how much she spends on each bird per year. She then multiplied the amount by each bird's life expectancy and factored in veterinary and new cage expenses.

You know your finances best. Start tracking your monthly bird spending now, so you can calculate an annual figure. Be honest about your expenditures. Now's not the time to pretend you didn't buy five toys this month!

### Will Vs. Trust

The difference between a will and a trust is that a will is basically a set of instructions, which is implemented by a death, Freilicher explained. A trust is a legal entity that holds, maintains and disposes of property over time. A trust can be implemented any time, even while the person is still alive. A will provides for the one-time distribution of a person's property. A trust is an ongoing enterprise. Some states, such as Alaska, Florida and New York, allow setting up trusts for the care of pets.

“With a will, you can leave your pet to a chosen person after you die, and leave that same person money which you ask him or her to use to take care of your pet,” said New York attorney Halan Freilicher. “With a trust, you can choose a person to take care of your pet any time you become incapacitated, and then set aside money that can only be used for the benefit of that pet. You can even specify the brands of pet food that may be bought with funds from the trust.”

The simplest way is to have an attorney set it up. Find an attorney whose practice includes estate planning to set up a trust for your pet. Before you set the initial appointment, ask specifically whether the attorney is familiar with setting up trusts for the benefit of an animal.”

In the event that you suddenly become incapable of taking care of your bird, your trust will go into effect. Make sure someone you trust has the key to your home and knows how to take care of your pet. Keep that person’s contact information in your wallet. Give the person’s contact information to whomever the authorities are most likely to call if anything happens to you, and consider posting the person’s contact information on your refrigerator as a part of your list of emergency phone numbers. Check with your local fire department and see if they have a pet registry.

**Trust Advantages** A trust doesn’t need to wait for a will-reading or the probate process. A trust can go into effect before death if the pet owner wishes. It can be triggered by the owner’s incapacity or absence. A trust can set aside money that can only be used for the pet’s benefit. Money distributed through a will can be used however the heir chooses. A trust can contain detailed instructions and conditions that must be met on an ongoing basis.