

WHAT HAPPENED TO THEIR ESTATE!

James Brown

Although he was known for keeping a very tight beat, he left a very loose will and sloppy estate planning, which led to multiple lawsuits and severe tax implications. His will was contested by several parties, partly because he had not updated the document since 2000. He also left his mansion and music rights to an irrevocable trust to benefit underprivileged students but the trustees and family are still battling over it. His assets were not well sheltered so an auction of his personal affects was ordered to help settle the tax bill.

Warren E. Burger

Even though Warren Burger was once the chief justice of the Supreme Court, he left a 176-word will that left his estate to his two children but failed to empower his executors and did not plan for estate taxes. His \$1.8 million estate lost \$450,000 in federal and state estate taxes. The estate lost even more money because of expenses in going to probate to empower the executors.

Sammy Davis, Jr.

Although he made more than \$50 million in his lifetime, Sammy left \$5 million. The bigger problem was he owed \$7 million in taxes and no means such as life insurance to satisfy the debt. His widow, Altovise Davis, sold many of his personal belongings at auction to help pay the debt, but reportedly only got about \$500,000. In 2008 Altovise sued two former business partners she claimed tricked her into signing over rights to the estate. She died on March 15, 2009.

Jerry Garcia

Jerry Garcia of The Grateful Dead left a proper will when he died of heart failure in 1995, but an ex-wife said Garcia had made promises to her and many other issues involving the administration of his estate are still under contention. Garcia and his band lived by '60s rules, or the lack of rules, and that has led to a difficult situation in courts, not just with potential heirs, but also with property. Although Garcia willed several guitars to the man who made them, his band contends the instruments were communal property and were not his to give away.

Howard Hughes

The famed aviator/industrialist/film producer/eccentric left a \$2.5 billion estate and hundreds of people scrambling for it. Because he apparently did not leave a will, it took seven years to settle the estate, spreading the fortune among 22 cousins. Among the dozens of wills that surfaced after his 1976 death was the handwritten "Mormon will" with misspellings and mistakes that inspired extreme skepticism. The will, which named the church as a beneficiary, was produced by Melvin Dummar, a Utah service station owner who claimed to have rescued Howard Hughes in the desert. Dummar's claim was finally thrown out on appeal in 2008.

Michael Jackson

The final tab on this monumental error is yet to be calculated. Apparently Jackson had prepared estate planning documents in 2002. But either through oversight or error his revocable trust was never funded. Therefore the probate court has supervision of his estate. This error is going to cost the estate tens of millions of dollars! Further through failure to properly plan his estate the estate will be subjected to hundreds of millions of dollars of unnecessary estate taxes.

Heath Ledger

Ledger had a will when he died of a drug overdose in 2008 but it was drafted in Australia before he found huge success and fathered a child in the United States. His will did not reflect any of this, so a reported \$20 million went to his parents and siblings. His family said they would give the entire estate to Ledger's former girlfriend and daughter.

Marilyn Monroe

Marilyn left much of her estate to her acting coach, Lee Strasberg. The estate itself was not huge, about \$800,000, but Strasberg claimed a right to her image. That has led to at least a \$30 million payout for a woman Marilyn never met - Anna Strasberg, Lee's third wife. Marilyn's case is often cited as an instance in which a trust would have been best to carry out a client's wishes.

Elvis Presley

Elvis is probably the most notorious example of a poorly planned estate. Of his \$10 million estate, about 73 percent was lost in the probate process, to estate taxes and other settlement costs. His case illustrates why a trust is often the best way to protect an estate. A revocable trust can be used to avoid the costs and delays associated with the probate process, and in most states keeps the disposition of the estate out of public view. The estate plan must also focus on estate taxes in order to not only minimize them, but also to avoid untimely liquidations in order to pay the tax. Of course, Elvis did get the last guffaw because he has earned far more money dead than alive.

Anna Nicole Smith

The model-turned-public-curiosity left a will, but it was apparently a goofy document that disinherited her daughter. Her will had specified leaving out any "spouse and other heirs, including future spouses and children." Her 20-year-old son had died shortly before Smith's death. A court eventually made Smith's daughter the sole beneficiary and named a guardian, which Smith did not do. Another estate case Smith was involved in still lives. Smith had married 89-year-old billionaire, J. Howard Marshall II, shortly before he died in 1995. Her claim to the estate is still in the courts.