WILLS, TRUSTS, AND
ESTATES
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teacher to us all

Jesse Dukeminier, 1925-2003
### SUMMARY OF CONTENTS

<table>
<thead>
<tr>
<th>Contents</th>
<th>xi</th>
</tr>
</thead>
<tbody>
<tr>
<td>List of Illustrations</td>
<td>xxvii</td>
</tr>
<tr>
<td>Preface</td>
<td>xxxi</td>
</tr>
<tr>
<td>Acknowledgments</td>
<td>xxxv</td>
</tr>
<tr>
<td>Chapter 1. Introduction to Estate Planning</td>
<td>1</td>
</tr>
<tr>
<td>Chapter 2. Intestacy: An Estate Plan by Default</td>
<td>59</td>
</tr>
<tr>
<td>Chapter 3. Wills: Capacity and Contests</td>
<td>141</td>
</tr>
<tr>
<td>Chapter 4. Wills: Formalities and Forms</td>
<td>199</td>
</tr>
<tr>
<td>Chapter 5. Nonprobate Transfers and Planning for Incapacity</td>
<td>295</td>
</tr>
<tr>
<td>Chapter 6. Construction of Wills</td>
<td>365</td>
</tr>
<tr>
<td>Chapter 8. Trusts: Creation and Characteristics</td>
<td>485</td>
</tr>
<tr>
<td>Chapter 9. Building Flexibility into Trusts: Powers of Appointment</td>
<td>589</td>
</tr>
<tr>
<td>Chapter 10. Construction of Trusts: Future Interests</td>
<td>623</td>
</tr>
<tr>
<td>Chapter 11. Trust Duration and the Rule Against Perpetuities</td>
<td>671</td>
</tr>
<tr>
<td>Chapter 12. Charitable Trusts</td>
<td>729</td>
</tr>
<tr>
<td>Chapter 13. Trust Administration: The Fiduciary Obligation</td>
<td>771</td>
</tr>
<tr>
<td>Chapter 14. Wealth Transfer Taxation: Tax Planning*</td>
<td>845</td>
</tr>
</tbody>
</table>

*Chapter 14 was revised for the Seventh Edition principally by Stephanie J. Willbanks, Professor of Law at Vermont Law School.

<table>
<thead>
<tr>
<th>Table of Cases</th>
<th>929</th>
</tr>
</thead>
<tbody>
<tr>
<td>Author Index</td>
<td>937</td>
</tr>
<tr>
<td>Index</td>
<td>943</td>
</tr>
</tbody>
</table>
Chapter 1. Introduction to Estate Planning

Section A. The Power to Transmit Property at Death: Its Justification and Limitations
1. The Right to Inherit and the Right to Convey
   Jefferson’s Works
   Blackstone, Commentaries
   Locke, Two Treaties of Government
   Hodel v. Irving
2. The Policy of Passing Wealth at Death
   Parsons et al., The “Gift of Life” and Its Reciprocation
   Brittain, Inheritance and the Inequality of Material Wealth
   Halbach, An Introduction to Death, Taxes and Family Property
   Bentham, The Theory of Legislation
   Oliver, Shapiro & Press, “Them That’s Got Shall Get”: Inheritance and Achievement in Wealth Accumulation
   Ascher, Curtailing Inherited Wealth
   Kristol, Taxes, Poverty, and Equality
   Note: Inheritance in the Erstwhile Soviet Union
   Blum & Kalven, The Uneasy Case for Progressive Taxation
Chapter 2. Intestacy: An Estate Plan by Default

Section A. The Basic Scheme

1. Introduction

Uniform Probate Code
§§2-101, 2-102, 2-103, 2-105
Note: The Meaning of Heirs and the Transfer of an Expectancy

2. Share of Surviving Spouse

Note: Domestic Partners and Intestate Succession

3. Shares of Descendants

Note: Negative Disinheritance
Chapter 3. Wills: Capacity and Contests

Section A. Mental Capacity
1. The Test of Mental Capacity
   In re Estate of Wright

2. Why Require Mental Capacity?
3. Insane Delusion
   In re Strittmater
Chapter 4. Wills: Formalities and Forms 199

Section A. Execution of Wills 199
1. Attested Wills 199
   a. The Function of Formalities 199
      Baron, Gifts, Bargains, and Form 199
      Lindgren, The Fall of Formalism 199
      Gulliver & Tilson, Classification of Gratuitous Transfers 200
      Comparison of Statutory Formalities for Formal Wills 203
   b. The Formalities in Action 203
      Uniform Probate Code §2-502 203
      In re Groffman 204
      Stevens v. Casdorph 205
      Estate of Parsons 211
      Note: Purging Statutes 215
      Recommended Method of Executing a Will 215
      Note: Safeguarding a Will 218
      In re Pavlinko’s Estate 220
      In re Snide 223
   c. Curative Doctrines 225
      Uniform Probate Code §2-503 226
      In re Will of Ranney 226
      In re Estate of Hall 231
2. Holographic Wills 236
   The Jolly Testator Who Makes His Own Will 236
Chapter 5. Nonprobate Transfers and Planning for Incapacity 295

Section A. An Introduction to Will Substitutes 295


Section B. Revocable Trusts 299

1. Introduction 299

Farkas v. Williams 299
Chapter 6. Construction of Wills

Section A. Mistaken or Ambiguous Language in Wills

1. The Traditional Approach: No Extrinsic Evidence, No Reformation
   - *Mahoney v. Grainger* 365

2. Slouching Toward Reformation: Correcting Mistakes Without the Power to Reform Wills
   - 371

Section A. Rights of the Surviving Spouse
1. Introduction to Marital Property Systems
2. Rights of Surviving Spouse to Support
   a. Social Security
   b. Private Pension Plans
   c. Homestead
   d. Personal Property Set-Aside
   e. Family Allowance
   f. Dower and Curtesy
3. Rights of Surviving Spouse to a Share of Decedent’s Property
   a. The Elective Share and Its Rationale
      Uniform Probate Code, Article II, Part 2, General Comment
Note: The Estate Tax Marital Deduction and the Dependency of Women 428

*In re Estate of Cross* 430

*In re Estate of Cooper* 433

b. Property Subject to the Elective Share 438

(1) Judicial responses 439

*Sullivan v. Burkin* 439

*Bongaards v. Millen* 442

(2) Statutory schemes 445

(3) The Uniform Probate Code 447

Note: Must the Surviving Spouse Accept a Life Estate? 451
c. Waiver 451

Uniform Probate Code §2-213 452

*In re Estate of Garbade* 453

*In re Grieff* 454

4. Rights of Surviving Spouse in Community Property 455
a. Basic Information 455
b. Putting the Survivor to an Election 457

5. Migrating Couples and Multistate Property Holdings 458
a. Moving from a Separate Property State to a Community Property State 459
b. Moving from a Community Property State to a Separate Property State 460

6. Spouse Omitted from Premarital Will 462

*Estate of Shannon* 462

Uniform Probate Code §2-301 465

Section B. Rights of Issue Omitted from the Will 466
1. Protection from Intentional Omission 466
a. The Domestic Approach 466
b. A Look Abroad: Family Maintenance Statutes 468

*Lambeff v. Farmers Co-operative Executors & Trustees Ltd.* 469

2. Protection from Unintentional Omission 473

*Azcunque v. Estate of Azcunque* 475

Uniform Probate Code §2-302 479

*In re Estate of Laura* 481

*Estate of Treloar* 483

Chapter 8. Trusts: Creation and Characteristics 485

Section A. Introduction 485
1. Background 485

Note: Foreign Trust Law 488

2. The Parties to a Trust 489
a. The Settlor 489
b. The Trustee 490
c. The Beneficiaries 493
3. A Trust Compared with a Legal Life Estate 494
4. Commercial Uses of the Trust 496
Section B. Creation of a Trust 498
1. Intent to Create a Trust 498
   Lux v. Lux 498
   Jimenez v. Lee 499
   The Hebrew University Association v. Nye (1961) 504
   The Hebrew University Association v. Nye (1966) 506
2. Necessity of Trust Property 508
   Unthank v. Rippstein 509
   Brainard v. Commissioner 511
   Speelman v. Pascal 512
   Note: Taxation of Grantor Trusts 516
3. Necessity of Trust Beneficiaries 518
   Clark v. Campbell 519
   In re Seearight’s Estate 522
4. Necessity of a Written Instrument 528
   a. Oral Inter Vivos Trusts of Land 528
      Hieble v. Hieble 528
   b. Oral Trusts for Disposition at Death 530
      Olliffe v. Wells 530
Section C. Rights of the Beneficiaries to Distributions from the Trust 533
   Marsman v. Nasca 534
   Note: Extended Discretion 540
   Note: Exculpatory Clauses 541
   Note: Mandatory Arbitration Clauses 543
Section D. Rights of the Beneficiary’s Creditors 543
1. Discretionary Trusts 544
   Uniform Trust Code §504 546
2. Spendthrift Trusts 547
   Scheffel v. Krueger 549
   Shelley v. Shelley 550
   Uniform Trust Code §§502, 503 553
3. Self-Settled Asset Protection Trusts 557
   Federal Trade Commission v. Affordable Media, LLC 560
   In re Lawrence 566
   Note: Trusts for the State-Supported 569
Section E. Modification and Termination of Trusts 572
1. Introduction 572
2. Modification 574
   In re Trust of Stuchell 574
   Uniform Trust Code §412 577
   Note: Reformation and Modification for Tax Advantages 578
   Note: Trust Protectors 579
Chapter 9. Building Flexibility into Trusts: Powers of Appointment 589

Section A. Introduction 589
1. Types of Powers 589
2. Does the Appointive Property Belong to the Donor or the Donee? 591
   Irwin Union Bank & Trust Co. v. Long 592
   Note: Tax Considerations for Powers 595
Section B. Creation of a Power of Appointment 598
1. Intent to Create a Power 598
2. Powers to Consume 598
   Sterner v. Nelson 598
Section C. Release of a Power of Appointment 602
   Seidel v. Werner 603
Section D. Exercise of a Power of Appointment 607
1. Exercise by Residuary Clause in Donee’s Will 607
   Beals v. State Street Bank & Trust Co. 607
   Uniform Probate Code §§2-608, 2-704 613
2. Limitations on Exercise of a Special Power 614
3. Fraud on a Special Power 615
4. Ineffective Exercise of a Power
   a. Allocation of Assets 616
   b. Capture 617
Section E. Failure to Exercise a Power of Appointment 618
   Loring v. Marshall 618

Chapter 10. Construction of Trusts: Future Interests 623

Section A. Introduction 623
Section B. Classification of Future Interests 624
1. Types of Future Interests 624
2. Future Interests in the Transferor 624
   a. Reversion 624
   b. Possibility of Reverter; Right of Entry 625
3. Future Interests in Transferees 626
   a. Remainders 626
   b. Executory Interests 628
Section C. Construction of Trust Instruments 630
1. Preference for Vested Interests 630
   a. Acceleration into Possession 631
      In re Estate of Gilbert 632
b. Transferability
   
   c. Requiring Survival to Time of Possession
      
      First National Bank of Bar Harbor v. Anthony
      
      Clobberie's Case
      
      Note: Uniform Probate Code §2-707 — A New System of Future Interests for Trusts

2. Gifts to Classes
   
   a. Gifts of Income
      
      Dewire v. Haveles
   
   b. Gifts to Children, Issue, or Descendants
      
      Estate of Woodworth
      
      Uniform Probate Code §2-711
      
      Note: The Doctrine of Worthier Title
      
      Note: The Rule in Shelley’s Case
   
   c. Gifts to Heirs
      
      Uniform Probate Code §2-711
      
      Note: The Doctrine of Worthier Title
      
      Note: The Rule in Shelley’s Case
   
   d. The Class-Closing Rule
      
      (1) Introduction
      
      (2) Immediate gifts
      
      Note: Class-Closing Rules and Posthumously Conceived Children
      
      (3) Postponed gifts
      
      Lux v. Lux
      
      (4) Gifts of specific sums

Chapter 11. Trust Duration and the Rule Against Perpetuities

Section A. Introduction
   
   1. Development of the Rule Against Perpetuities
   
   2. Summary of the Rule
      
      a. Introduction
      
      (1) The rule and its policies
      
      (2) Why lives in being are used to measure the period
      
      (3) The rule is a rule of proof
      
      b. When the Lives in Being Are Ascertained

Section B. The Requirement of No Possibility of Remote Vesting
   
   1. The Fertile Octogenarian
   
   2. The Unborn Widow
      
      Dickerson v. Union National Bank of Little Rock
   
   3. The Slothful Executor
   
   4. The Magic Gravel Pit and Other Marvels

Section C. Application of the Rule to Class Gifts
   
   1. The Basic Rule: All-or-Nothing
   
   2. Exception to the Class Gift Rule
### Section D. Application of the Rule to Powers of Appointment

1. **General Powers Presently Exercisable**
   - a. Validity of Power
   - b. Validity of Exercise

2. **General Testamentary Powers and Special Powers**
   - a. Validity of Power
   - b. Validity of Exercise
     1. Perpetuities period runs from creation of power
     2. The second-look doctrine

### Section E. Saving Clauses

- **Note:** The “Delaware Tax Trap” or How the Donee Can Choose Between Paying an Estate Tax or a Generation-Skipping Transfer Tax

### Section F. Perpetuities Reform

1. **The Cy Pres or Reformation Doctrine**
2. **The Wait-and-See Doctrine**
   - a. Wait-and-See for the Common Law Perpetuities Period
   - b. The Uniform Statutory Rule Against Perpetuities

### Section G. Other Durational Limits

1. **The Rule Against Suspension of the Power of Alienation**
2. **The Rule Against Accumulations of Income**

---

### Chapter 12. Charitable Trusts

#### Section A. Nature of Charitable Purposes

- **Shenandoah Valley National Bank v. Taylor**

#### Section B. Modification of Charitable Trusts: Cy Pres

- **In re Neher**

---

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>D</td>
<td>Application of the Rule to Powers of Appointment</td>
<td>690</td>
</tr>
<tr>
<td>D1</td>
<td>General Powers Presently Exercisable</td>
<td>690</td>
</tr>
<tr>
<td>D1a</td>
<td>Validity of Power</td>
<td>690</td>
</tr>
<tr>
<td>D1b</td>
<td>Validity of Exercise</td>
<td>690</td>
</tr>
<tr>
<td>D2</td>
<td>General Testamentary Powers and Special Powers</td>
<td>691</td>
</tr>
<tr>
<td>D2a</td>
<td>Validity of Power</td>
<td>691</td>
</tr>
<tr>
<td>D2b</td>
<td>Validity of Exercise</td>
<td>692</td>
</tr>
<tr>
<td>D2.1</td>
<td>Perpetuities period runs from creation of power</td>
<td>692</td>
</tr>
<tr>
<td>D2.2</td>
<td>The second-look doctrine</td>
<td>692</td>
</tr>
<tr>
<td>E</td>
<td>Saving Clauses</td>
<td>695</td>
</tr>
<tr>
<td>F1</td>
<td>The Cy Pres or Reformation Doctrine</td>
<td>697</td>
</tr>
<tr>
<td>F2</td>
<td>The Wait-and-See Doctrine</td>
<td>698</td>
</tr>
<tr>
<td>F2a</td>
<td>Wait-and-See for the Common Law Perpetuities Period</td>
<td>699</td>
</tr>
<tr>
<td>F2b</td>
<td>The Uniform Statutory Rule Against Perpetuities</td>
<td>700</td>
</tr>
<tr>
<td>F3</td>
<td>Abolition of the Rule Against Perpetuities</td>
<td>711</td>
</tr>
<tr>
<td>G</td>
<td>Other Durational Limits</td>
<td>723</td>
</tr>
<tr>
<td>G1</td>
<td>The Rule Against Suspension of the Power of Alienation</td>
<td>723</td>
</tr>
<tr>
<td>G2</td>
<td>The Rule Against Accumulations of Income</td>
<td>725</td>
</tr>
<tr>
<td>A</td>
<td>Nature of Charitable Purposes</td>
<td>729</td>
</tr>
<tr>
<td>B</td>
<td>Modification of Charitable Trusts: Cy Pres</td>
<td>737</td>
</tr>
<tr>
<td>A1</td>
<td>Shenandoah Valley National Bank v. Taylor</td>
<td>729</td>
</tr>
<tr>
<td>B1</td>
<td>In re Neher</td>
<td>738</td>
</tr>
</tbody>
</table>

---

**Note:** Attorney Liability for Violating the Rule | 696

**Note:** Discriminatory Trusts | 742
Chapter 13. Trust Administration: The Fiduciary Obligation 771

Section A. Introduction 771

- Langbein, The Contractarian Basis of the Law of Trusts 772
- Note: Agency Costs and the Fiduciary Obligation 774
- Notes and Question 776
- Note: Powers of the Trustee 777

Section B. The Duty of Loyalty 779

- Hartman v. Hartle 779
- In re Gleeson’s Will 780
- In re Rothko 783
- Note: Co-Trustees 790
- Restatement (Second) of Trusts §258 791

Section C. The Duty of Prudence 791

1. The History of Trust-Investment Law 792
   a. Sensitivity to Risk and Return 797
      - Uniform Prudent Investor Act §2 797
      - Estate of Collins 798
      - Note: ERISA 803
      - Note: Social Investing 804
   b. Diversification 805
      - Uniform Prudent Investor Act §3 805
      - Langbein, The Uniform Prudent Investor Act and the Future of Trust Investing 805
      - In re Estate of Janes 806
      - Note: Calculating Damages for Imprudent Investment 817
   c. Delegation 818
      - Shriners Hospitals for Crippled Children v. Gardiner 819
      - Uniform Prudent Investor Act §9 820

2. Modern Trust-Investment Law 796
   a. Sensitivity to Risk and Return 797
      - Uniform Prudent Investor Act §2 797
      - Estate of Collins 798
      - Note: ERISA 803
      - Note: Social Investing 804
   b. Diversification 805
      - Uniform Prudent Investor Act §3 805
      - Langbein, The Uniform Prudent Investor Act and the Future of Trust Investing 805
      - In re Estate of Janes 806
      - Note: Calculating Damages for Imprudent Investment 817
   c. Delegation 818
      - Shriners Hospitals for Crippled Children v. Gardiner 819
      - Uniform Prudent Investor Act §9 820

Section D. Impartiality and the Principal and Income Problem 821

- Dennis v. Rhode Island Hospital Trust Co. 821
- Note: The Principal and Income Problem 827
Chapter 14. Wealth Transfer Taxation: Tax Planning*

Section A. Introduction
1. A Brief History of Federal Wealth Transfer Taxation
   Note: Estate and Inheritance Taxes Distinguished
2. The Unified Federal Estate and Gift Taxes
   Unified Transfer Tax Rate Schedule

Section B. The Federal Gift Tax
1. The Nature of a Taxable Gift
   Holtz's Estate v. Commissioner
   Note: Income Tax Basis
2. The Annual Exclusion
   Estate of Cristofani v. Commissioner
3. Gifts Between Spouses and from One Spouse to a Third Person

Section C. The Federal Estate Tax
1. A Thumbnail Sketch of the Federal Estate Tax
2. The Gross Estate: Property Passing by Will or Intestacy
   a. Section 2033: Property Owned at Death
   b. Section 2034: Dower or Curtesy
3. The Gross Estate: Nonprobate Property
   a. Section 2040: Joint Tenancy
      (1) Joint tenancy between persons other than husband and wife
      (2) Joint tenancy and tenancy by the entirety between husband and wife
   b. Section 2039: Annuities and Employee Death Benefits
   c. Section 2042: Life Insurance
4. The Gross Estate: Lifetime Transfers
   a. Section 2036: Transfers with Life Estate or Control of Beneficial Rights Retained
      Estate of Maxwell v. Commissioner
      Old Colony Trust Co. v. United States
      Note: Family Limited Partnerships

*Chapter 14 was revised for the Seventh Edition principally by Stephanie J. Willbanks, Professor of Law at Vermont Law School.
b. Section 2038: Revocable Transfers 887

c. Section 2037: Transfers with Reversionary Interest Retained 888

d. Section 2035: Transfers Within Three Years of Death 889

5. The Gross Estate: Powers of Appointment (§2041) 891

   Estate of Vissering v. Commissioner 894

   Estate of Kurz v. Commissioner 897

6. The Marital Deduction 900

   a. Introduction 900

   b. Interests that Qualify for the Deduction 901

      (1) The nondeductible terminable interest rule 901

      (2) Exceptions to the terminable interest rule 902

         Estate of Rapp v. Commissioner 905

         Pond v. Pond 912

      (3) Noncitizen spouses: qualified domestic trusts 915

   c. Tax Planning 915

7. The Charitable Deduction 917

Section D. The Generation-Skipping Transfer Tax 919

   1. The Nature of the Tax 919

   2. Rate and Base of Tax 922

   3. Exemption and Exclusions 923

   4. Definitions 924

      a. Transferor 925

      b. Skip Person; Ascertaining Generations 925

      c. Interest 926

   5. Tax Strategies 927

Section E. State Wealth Transfer Taxes 928

Table of Cases 929

Author Index 937

Index 943
LIST OF ILLUSTRATIONS

Professor Jesse Dukeminier (photograph) vii

Chapter 1
Justice Sandra Day O’Connor (photograph) 4
Cartoon by William Hamilton (“fine old name”) 18
Judge Richard A. Posner (photograph) 26

Chapter 2
Diagram of representation 73
Diagram of per stirpes distribution 74
Diagram of per capita at each generation distribution 75
Professor Lawrence W. Waggoner (photograph) 76
Diagram of representation 76
Diagram of representation 77
Diagram of representation among collaterals 78
Table of Consanguinity 79
Doris Duke with her butler (photograph) 93
Doris Duke's will signature 93
Justice Leah Sears (photograph) 96
Lauren Woodward with her children (photograph) 103
Cartoon by Mick Stevens (“other mother”) 113
Justice Ruth Bader Ginsburg 135

Chapter 3
Cartoon by Frank Modell (“blew it all”) 147
Alice Paul (photograph) 150
Lord Hannen (etching) 158
Cartoon by Peter Arno (“lawyer as will beneficiary”) 168
List of Illustrations

Seward and Basia Johnson (photograph) 177
Seward Johnson’s will signature 181
Father Divine (photograph) 191
Anna Nicole Smith and J. Howard Marshall (photograph) 195

Chapter 4
Professor John H. Langbein (photograph) 234
Charles Kuralt and Elizabeth Shannon (photograph) 246
D.G. Johnson will 280
Cartoon by Marvin Tannenberg (“Hi there, Sidney!”) 288

Chapter 5
Norman F. Dacey, How To Avoid Probate! 306
Cartoon by Chip Bok (“I’d like permission”) 351
Terri Schiavo (photograph) 354

Chapter 6
Causes and Effects of Will Defects 372
Justice Ellen A. Peters (photograph) 378
Thelma Russell’s property, 1999 (photograph) 390
Aunt Fanny’s snuff bottles (photograph) 411

Chapter 7
Cartoon by Peter Arno (“disinherit everybody”) 424
Cartoon by Leo Cullum (“Everything I have”) 467
President Calvin Coolidge in the gym (photograph) 474

Chapter 8
Professor Austin W. Scott (photograph) 487
Professor George G. Bogert (photograph) 502
Ann Landers (photograph) 504
Marianne Speelman (Zaya Kingman) (photograph) 514
Samantha and Marie Dana (photograph) 525
Tinker the Cat (photograph) 526
The Rev. Eleazar M.P. Wells (photograph) 530
Cartoon by Christopher Weyant (“OK, you’re going to feel a prick”) 558
Kenkut dispenser (photograph) 561

Chapter 10
Surrogate Renee R. Roth (photograph) 632

Chapter 11
Duke of Norfolk (painting) 673
Lord Chancellor Nottingham (painting) 673
List of Illustrations

Chapter 12
Barnes Foundation Gallery (photograph) 748
Brink Smithers (photograph) 752
Smithers Institute Building (drawing) 753

Chapter 13
Painting by Mark Rothko
Professor Harry M. Markowitz (photograph) 795
Senator Rodney Janes (photograph) 806
Wheaton-Anthony Building, Providence, Rhode Island (photograph) 823
Leonard Troland (photograph) 840

Chapter 14
Judge Frank H. Easterbrook (photograph) 897
Judge Betty B. Fletcher (photograph) 906
As trusts and estates lawyers, we are in the business of succession. The passing of Jesse Dukeminier in April of 2003 reminds us of this reality in a deeply personal way. In this seventh edition, we begin the process of authorship succession with James Lindgren and Robert H. Sitkoff joining the book.

*Wills, Trusts, and Estates* is designed for use in a course on trusts and decedents’ estates and as an introduction to estate planning. Our basic aim in this seventh edition remains as before: to produce not merely competent practitioners in the trusts and estates field, but lawyers who think critically about problems in family wealth transmission and compare alternative solutions. Trusts and estates is a vibrant field whose difficult policy questions demand careful consideration.

Since the 1960s, the law of wills has been undergoing a thorough renovation. Initially, the change was brought on by a swelling public demand for cheaper and simpler ways of transferring property at death, avoiding expensive probate. Imaginative scholars then began to ventilate this ancient law of the dead hand, challenging assumptions and suggesting judicial and legislative innovation to simplify and rationalize it. Medical science complicated matters by creating varieties of parentage and death-deferring machines unheard of a generation ago. And legal malpractice in drawing wills and trusts arrived with a bang. Scholars, science, and malpractice liability are a potent combination for driving law reform.

The use of trusts to transmit family wealth has become commonplace, not only for rich clients, but also for those of modest wealth. In expanding, the law of private trusts has annexed the law of future interests and powers of appointment, reducing these two subjects largely to problems in drafting and construing trust instruments. The teachings of modern finance theory and the shifting locus of wealth from land to financial assets has put pressure on the law of trust investment and administration, which evolved in simpler times. As a result, the fiduciary obligation has eclipsed limitations on the trustee’s powers as the principal device for safeguarding the beneficiary from mismanagement or abuse by the trustee. Meanwhile, the burgeoning tort liability of modern times has spawned an asset
protection industry and with it nascent but radical change in the rights of creditors to trust assets.

Taxation of donative transfers has changed dramatically. The unlimited marital deduction — which permits spouses to make unlimited tax-free gifts and bequests to each other — is now a central feature of estate planning. In 1986, Congress enacted the generation-skipping transfer tax, implementing a policy of wealth transfer taxation at each generation. This tax, like an invisible boomerang, is delivering potentially lethal blows to the Rule against Perpetuities. In 2001, Congress enacted legislation that phases out the federal wealth transfer taxes by 2010, but then in 2011 these taxes will revert to their pre-2001 form. Surely this will not be Congress's last word on the subject.

Throughout the book we emphasize the basic theoretical structure and the general philosophy and purposes that unify the field of donative transfers. We are interested in function, not form. To this end we have pruned away mechanical matters (such as a step-by-step discussion of how to probate a will and settle an estate, which is essentially local law, easily learned from a local practice book). At the same time, we have sought historical roots of modern law. Understanding how the law became the way it is illuminates both the continuing growth of the law and the sometimes exasperating peculiarities inherited from the past.

Although we organize the material in topical compartments, we have also sought a more penetrating view of the subject as a tapestry of humanity. Every illustration included, every behind-the-scenes peek, every quirk of the parties' behavior has its place, as a piece of ornament fitting into the larger whole. Understanding the ambivalences of the human heart and the richness of human frailty, and realizing that even the best-constructed estate plans may, with the ever-whirling wheels of change, turn into sand castles, are essential to being a counselor at law, as opposed to being a mere attorney.

As we said in the first edition of this book, in 1972:

In this book we deal with people, the quick as well as the dead. There is nothing like the death of a moneyed member of the family to show persons as they really are, virtuous or conniving, generous or grasping. Many a family has been torn apart by a botched-up will. Each case is a drama in human relationships — and the lawyer, as counselor, draftsman, or advocate, is an important figure in the dramatis personae. This is one reason the estates practitioner enjoys his work, and why we enjoy ours.

This observation remains true today. In a changing reality the human drama abides. Trusts and estates is a field concerned fundamentally with people.

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Jesse Dukeminier, 1925-2003
Stanley M. Johanson
James Lindgren
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