

Finding A Farm Divorce Lawyer

So, you or your spouse own a farm and now you are getting divorced. You think that any Minnesota divorce lawyer will do right? Wrong. Unfortunately, many divorce lawyers who are very good at simple divorces simply are not equipped to handle a farm divorce. Why you may ask? Aren't all divorce lawyers the same and the law is the same isn't it? Well, sort of, the law is the same but what's different is that the way a farm typically operates and is financed is not the same as a small business or a standard "wage earner." A W-2 wage earner divorce is handled a differently than a divorce involving a small business or farm, the assets are usually less and the income is easy to determine.

## Farm Divorce vs. Small Business Divorce

It is true that a farm is a business, but a farm is not usually financed the way a business is. When you run farm, particularly crop based, although it's true with hogs and other livestock too, you only get paid once or twice a year. That means the farmer usually has to borrow a considerable about of money to buy the feed or crops and the associated expenses that go along with it. This operating loan can be big! As can the payout when the farmer goes to sell the livestock or crops. One tax trick many farmers do is to delay the crop payout for another tax year and if the non-farmer spouse's attorney doesn't know about that...ouch.

Another issue that is very common is the family aspect of farming, many times the farmer will use family land that may or may not be non-marital, but it is critical that the lawyer understands how farm land is deeded and gifted, this is something that doesn't often come up in a normal divorce but is very frequent in farm divorces.

## **Creative Divorce Solutions**

In the "normal" Minnesota divorce what frequently occurs is the assets are valued and divided equally. This may mean selling the house or shifting some debt, but the problem with doing this in a farm divorce case is that the numbers and cash flow often don't allow for a quick buyout or payment of several million dollars. If an immediate payment is required the loan payment associated with it can be enough to cause the cash flow to collapse and the farmer to go bankrupt. Likewise, selling of 100 or so acres will cause the farmer to lose future income which will affect alimony and child support. Instead, your lawyer should be able to think of creative solutions in a farm divorce such as renting the farmland, long term payouts, triggering events and similar creative solutions.

As you can see making sure you have the right lawyer for you farm divorce is critical. My final suggestions are:

Interview several divorce lawyers

## FINDING A GOOD FARM DIVORCE LAWYER

- Ask pointed questions, have they ever done a farm divorce?
  If so what was the outcome?
- Ask if they know about your area, land and rental values

There you go, this was a very short primer but hopefully it will point you in the right direction if you are a farmer or married to a farmer and have to go through a divorce in Minnesota. As always any comments or question feel free to post a comment or send an email a <u>JKohlmeyer@rokolaw.com</u>

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