

# **Estate Planning for Amateur Radio Operators**

# Introduction

What happens when a family member contacts your Club saying, “W1XYSK has passed away, and we don’t know what to do with 3 rooms full of radio & electronics equipment”.

- The family has no idea of the value of said equipment
- There are unscrupulous people out there who would talk the family into basically giving it away.
- The ARRL have no information or articles on how to deal with the problem cited above.

This presentation draws upon a paper written by Marshall Abrams from the Potomac-Flyer Model Railroad Club and published in the NMRA journal as, ‘Estate Planning for Model Railroaders’

# Audience & Overview

- ❑ **Amateur Radio Operators who have lost interest in, or unable to continue, and want to dispose of their equipment**
- ❑ **Applies to the estate executor, and family members who know little or nothing about the Amateur Radio hobby**
- ❑ **This presentation is not legal or Tax advice. Talk to your lawyer and your accountant or financial advisor.**
- ❑ **Topics include**
  - **Priorities**
  - **Inventory & Value**
  - **High Value Items**
  - **Written Instructions**
  - **Planning For Layout Disposition**
  - **Selling**
  - **Scenarios**
  - **Fees**
  - **References**
  - **Professional Services**
  - **Using eBay**
- ❑ **Listing of helpful information at end of presentation**

# Overview of Purpose

- ❑ **The presentation provides advice on disposal of Amateur Radio equipment**
  - ❑ **Ham no longer interested or able**
  - ❑ **Can be part of estate planning**
  - ❑ **Family of deceased Ham (SK)**
  - ❑ **Useful to estate executor**
  - ❑ **Hams who just want to reduce the amount of their Amateur Radio Equipment will find value in this presentation.**
- ❑ **Download a copy of this Presentation and provide to Friends, Executors, Family, Legal and/or Financial advisors, to guide them in disposition of your Amateur Radio 'Stuff'. (see 'Resources' Slide)**

# What Is It Worth — First Thoughts

- ❑ Temper expectations by thinking of Ham equipment as used toys
  - ❑ Enthusiastic Hams may overestimate the cash value of their equipment
  - ❑ Families and survivors may assign inflated values, perhaps based on the Hams enthusiasm
- ❑ Remember that Amateur Radios accessories and Test equipment *devalue* like a new car — they depreciate as soon as you take possession
- ❑ Accept fact that the value of used Ham gear is primarily determined by supply and demand..
  - ❑ Marketplace determines value
    - ❑ It takes organized effort to determine selling prices
    - ❑ Use eBay, Ham equipment sellers, dealers or other experts to compare prices.

# Removal of Ham Shack maybe an Expense

- ❑ Ham Shack or operating positions are typically built to fill the available space, and may be physically attached to walls, ceilings, doors and floors
- ❑ Although a great deal of skill and effort went into there construction, they often have negative residual value if the house is being sold.
- ❑ Restoration of the space for family use is often required
  - ❑ In assisting the family/relatives, participants should bring all tools necessary, and materials required to remove amateur radio 'furniture', antennas, towers, grounding and cabling. On no account should the participants be responsible for 'redecorating' or painting or be paid for the assistance to the family.

# Unattached Items

- ❑ **Anything that is removable from the operating position without breaking it may have some financial value**
- ❑ **Examples:**
  - ❑ **Radios, control heads, Power Supplies, Power amplifiers, Morse keys, headphones, microphones, Test gear, QRP rigs, SDR components, SDR systems, Antennas**
- ❑ **Related items**
  - ❑ **Ham radio Books (novels, Handbooks, Antenna Handbooks, Repeater ref book, ARRL publications on SDR, Grounding, Arduino projects etc)**
  - ❑ **QSL Card collection**
  - ❑ **Miscellaneous Items (Hats, Buttons, Jackets for Field Day or honoring an event in history ie ARRL 100th Year)**

# **Written Instructions – Will, or Instructions for Executor**

- ❑ Can simplify legal and personal aspects of settling your estate**
  - ❑ Communicate important information to your executor**
- ❑ Can designate separate executor for Amateur Radio**
  - ❑ Separate letter of instruction just for the Amateur Radio/Ham gear**
  - ❑ Could be one of your Ham friends, member of your Ham Club, or other “subject matter expert” (SME)**
- ❑ May include**
  - ❑ List of the items and desired recipients**
  - ❑ Description of executor’s compensation**
  - ❑ Names of people to have first shot at purchasing your collection (i.e., right of first refusal)**
  - ❑ List of items that have little or no monetary value**



# Get Organized

- ❑ **Physically organize and label all your “stuff”, tools, etc**
- ❑ **Make an inventory**
  - ❑ **Digital record is more convenient, easily updated, duplicated**
  - ❑ **Can be list, spreadsheet, database, or dedicated program with digital photos of the inventory item**
  - ❑ **Determine current market value of “stuff” including accessories, parts, tools, ...**
  - ❑ **Leave copy(ies) with friend(s)/relative(s) or in cloud**
  - ❑ **Inventory also useful for insurance purposes**
- ❑ **Make sure the inventory is accessible to the executor**
  - ❑ **Inventory listings should provide help in identifying items**
  - ❑ **List what’s borrowed and lent out**

# Potential High Value Items

- ❑ **Prices based on their used value; condition is important**
- ❑ **Having original boxes in good condition and associated paperwork/manuals, drives up value**
- ❑ **If you have such items, check Internet for a dealer, or Radio club in your area**
- ❑ **Potentially valuable items include the following:**
  - ❑ **Larger full-sized Radios: older sought after 'boat anchors' Collins, Drake, newer SDR radio systems, DMR equipment, Laptop PCs equipped for use with Radios, Satellite antennas/radios, specialized large antenna arrays, etc**

# Disposal Approaches

- ❑ **Sell or give away?**
  - ❑ **This is where you use the inventory and current value**
  - ❑ **Unless the collection includes NIB, NOS, unique and rare items, the collection often not be worth original purchase price**
  - ❑ **Are the anticipated proceeds worth the effort?**
  - ❑ **Selling by yourself may get most \$s, but requires much effort**
  - ❑ **Give it to your Radio club to dispose of at Hamfairs or Club Fleas**

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# Disposal Approaches – Cont'd

- ❑ **Alternative selling strategies**
  - ❑ **Sell collection to dealer/broker/reseller/consignment**
  - ❑ **Sell it yourself**
- ❑ **Donate**
  - ❑ **To a 501(c)3 tax-deductible organization**
    - ❑ **Value assessment needed to substantiate tax deduction**
  - ❑ **To known individual(s), Non-Tax deductible**
  - ❑ **To your Club or ARRL**

# Understand Sellers

- ❑ **Seller may be volunteer or professional**
- ❑ **Selling involves effort and expenses**
  - ❑ **May need to ship items to seller for assessment and resale**
    - ❑ **Careful packing and shipping very time consuming & expensive**
  - ❑ **Expenses of Carrying inventory, advertising, printing lists, repairing, auction & credit card fees, packing and shipping, etc.**
  - ❑ **A business will want to be compensated, volunteers might not**
- ❑ **Make sure you understand how seller is compensated**
  - ❑ **Buy all or part of collection for negotiated wholesale price**
  - ❑ **Charge assessment fee plus percentage of sale price**
- ❑ **Most sellers are reputable, but checking is advisable**

# **Selling Amateur Radio Collection Yourself**

- ❑ **Effort required to determine market value**
  - ❑ **What are similar items selling for on eBay or Ham equipment advertisers, Hamfairs?**
    - ❑ **Be sure of item identification, many similar models/versions**
    - ❑ **On eBay or similar Auctions, look at the asking price. Watch these items to see if they do sell and at what price**
- ❑ **Determine costs for selected method of selling: advertising, printing lists, cleaning and repairing, auction fees, credit card fees, packing and shipping, etc.**
- ❑ **Ensure the physical security of the equipment (e.g., it remains packed in a dry temperature-controlled environment), not out in a wet shed!**

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# **Selling the Collection yourself – Cont'd**

## **□ Publicity**

- Distribute a list of sale items by email or on groups or website**
- Advertise in Club news letter or web site**
- Physical sale held at a certain place, date, and time**
- Fixed price or auction (auctioneer or silent)**

## **□ Virtual web market place (eBay, Craigslist, LetGo) — fixed price or auction**

- Will require considerable time and energy**
- Have to research market prices, photograph and describe the items, deal with the auctions, and pack and ship the equipment when sold**
- Companies can do all this for you for a fee or percentage**

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# **Selling the Collection yourself – Cont'd**

- ❑ **Hamfairs, swap meet or “white elephant” sale, QST and CQ magazine sale pages**
  - ❑ **May be fees for tables or percentage of selling price**
- ❑ **Need to research the market to set selling price**
  - ❑ **Spending time at the Hamfair selling the equipment**
  - ❑ **Schlep to and from (you probably won't sell everything at once, necessitating multiple sales attempts)**



# Voice of Experience #1

- ❑ **Have a decent inventory, especially of the expensive stuff**
- ❑ **Ham should:**
  - ❑ **Arrange for someone to help heirs deal with collection**
  - ❑ **Leave instructions to heirs about objectives when selling collection**
  - ❑ **How much they care about**
    - ❑ **Top dollar, or, just happy it gets to a good home**
    - ❑ **Don't want heirs stressing over the Radios**

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# Voice of Experience #1 – Cont'd

- ❑ **Some heirs (mistakenly or correctly) think their loved one would**
  - ❑ **Hate to see collection broken up or sold cheap and fast**
  - ❑ **Rather have them in loving home**
- ❑ **Some heirs**
  - ❑ **Get wound up in getting full value and push too far with buyers**
  - ❑ **Don't realize how much work it can be to sell all the stuff**
  - ❑ **Don't realize it can be a real crap shoot on what you can get for Radios and accessories, at any one time**
- ❑ **Executor should realistically estimate return on time and effort**

## Voice of Experience #2

- ❑ Unfair to stick adult children or surviving spouse with disposal process
- ❑ Can be less/more painful than expected
- ❑ Started with items that I will use again
- ❑ I will keep most of my favorites as long as I can
- ❑ eBay has made selling easy
  - ❑ Listing 2 or 3 items for 10 days and if they don't sell, I leave them for 10 more days or drop the price \$5 or \$10 until they do sell
    - ❑ I start the bidding at approximate price people are willing to pay
    - ❑ My price is firm until I change it and I won't go below what I feel is a fair value from my computerized bidding history lists

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## **Voice of Experience #2 – Cont'd**

- ❑ **I'm taking my time in selling just as I did when I was buying**
  - ❑ **At my age this is as much an expression of optimism as it is of economic theory**
  - ❑ **My heirs may not enjoy the luxury of that approach unless they're are willing to take the time to sell on eBay, the way that I have.**

## Voice of Experience # 3

- ❑ **It is in your power to help the people you leave behind with a guide on what to do with your collection of Ham equipment**
- ❑ **Be very honest about your collection**
  - ❑ **Maybe you didn't care if anyone else cares about it in the future**
  - ❑ **Maybe you spent \$100,000 over the years and you may not have wanted to reveal that to your family. But you may have a real gem or two that will go a long way to recovering some of that investment.**

# Voice of Experience # 4

- ❑ **Important that your wishes be expressed in a legal way to avoid confusion at a very emotional time.**
  - ❑ **Leave a plan to distribute, preserve, or sell your gear with your will**
  - ❑ **Have a person that understands the hobby as either the executor or as a resource to the executor.**
- ❑ **Have inventory for the executor containing approximate value**

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# Voice of Experience # 4 – Cont'd

- ◆ **List items with special meaning, including some your spouse or children helped assemble or operate and would keep for their memories, and their intrinsic aesthetic value.**
- ◆ **Identify tools and materials that have applications to other household and hobby activities for “re-purposing”**
- ◆ **Advice to “Ham spouses” says one widow;**
  - ❑ **Get your Spouse to at least make a list of valuable items, like special Keys, collectable Radios & test gear**
  - ❑ **Get his/her wishes as to where he/she wants stuff to go**
  - ❑ **From time to time, go to a Hamfair with your relative/spouse, so you know about them.**

# Wrap Up

- ◆ **Get prepared for the end of your Amateur Radio operation**
  - You or your survivors will have to dispose of your equipment and Antennas
- ◆ **Get organized**
  - Make an inventory
  - Physically organize, take pictures
- ◆ **Leave written Instructions – Will or Instructions for Executor**
- ◆ **Determine present value**
  - Ham Shack deconstruction May Be An Expense
- ◆ **Consider alternative approaches to disposition of equipment**
  - Understand sellers
  - Sell collection yourself



# Converting Collection into Cash

<b>Alternative</b>	<b>Speed</b>	<b>Effort</b>	<b>\$</b>
<b>Auction company</b>	<b>fast</b>	<b>low</b>	<b>lower</b>
<b>Estate purchase companies</b>	<b>fast</b>	<b>low</b>	<b>higher</b>
<b>Ebay</b>	<b>moderate</b>	<b>medium/high</b>	<b>medium</b>
<b>Consignment</b>	<b>slow</b>	<b>low</b>	<b>medium</b>
<b>Hamfairs/Fleas (MIT)</b>	<b>slow</b>	<b>high</b>	<b>medium</b>

# Credits

- ◆ **Marshall Abrams – Author of ‘Estate Planning for Model Railroaders’ Copyright 2018**
  - **Author was very helpful in providing the baseline presentation and several papers on the Model Railway subject**
  - **Author provided Adrian Zeffert (AB2IX), permission to extract and adapt information, ideas and strategies, in an email dated Thu, Jun 6, 2019, 4:45 PM.**
- ◆ **Amateur Radio Presentation developed by Adrian M. Zeffert, AB2IX**

# Resources

- ❑ Original Model Railroad Paper and report by Marshall Abrams
  - ❖ [http://Potomac-nmra.org/Special\\_Interest\\_Reports/Estate\\_Planning\\_for\\_Model\\_Railroaders.pdf](http://Potomac-nmra.org/Special_Interest_Reports/Estate_Planning_for_Model_Railroaders.pdf)
  
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