

# Famously Unprepared: Is Aretha the Latest to be Inviting a Family Wealth Dispute?

Family wealth disputes are not confined to the estates of entertainment superstars. Aretha Franklin's passing is, however, just the latest example of a celebrity who leaves behind a legacy with the potential for long drawn out legal battles over rights to a multi-million dollar fortune. According to reports, Franklin died without a will. Her name can now be added to a list that includes Howard Hughes, Bob Marley, Pablo Picasso, Abraham Lincoln, and of course the most recent case of Prince. Under Michigan law, where Franklin was a longtime resident, her estate will be equally divided among her four children. Sounds simple enough right? Well, without a proper estate plan in place, complex estates like Franklin's are ripe for conflict.

## Are you sure there's no will?

It's not unusual that when a wealthy person dies, various writings are filed with the court purporting to be that person's will. When Ike Turner died in 2007, an almost two year battle ensued among his children, ex-wife, and "sometime attorney" over whether he left a will. The Court ultimately decided that he left no valid will and so his children would inherit his fortune, but that wasn't without significant expenses in legal fees and time delays. Many cases like these can drag on for years and if this happens to Franklin's estate, her assets could sit idle until a decision is made by the court.

## Who's in charge?

If Franklin had a will and/or trust, she could have named who was in charge of administering her estate (the personal representative or trustee). Instead, Michigan law will decide that. Under Michigan's laws of intestate succession (for those who pass away without a will), Franklin's children have priority in becoming the personal representative of her estate. According to news outlets, a niece of Franklin has asked to be appointed as personal representative by the court. If one or more of Franklin's children object to the niece's request, there could be a fight over who will control the estate. A fight like this could delay the administration of Franklin's estate for months or even years.

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## Did she really have creditors?

Given the estimated size of Franklin's estate, everyone will likely want a piece of it. One way for non-relatives to stake claim to part of Franklin's fortune is to file a creditor claim against her estate. Creditor's claims can run the gamut from claims for medical expenses to claims for undocumented loans and/or services to the decedent to claims for personal effects, including clothing, jewelry, and art. Once a claim is filed, the personal representative will have to decide whether to allow the claim or object to it. If the personal representative objects, the court will decide if the claim should be paid. While creditors' claims cannot be avoided by having a will, an organized and well planned estate can help mitigate the damage and ultimately increase the amounts available to distribute to estate beneficiaries.

## Who gets what?

After all of the creditors' claims and administration expenses are paid, the balance of Franklin's estate will be distributed to her children as her heirs at law. Depending on how much litigation is involved, it's often uncertain how much, if any, will be left to distribute. Franklin's four sons will share the balance of her estate equally. While that appears straight forward, when Prince died in 2016, more than 45 people were said to have come forward claiming to be his spouse, child or other relative entitled to a share of his estate. Even if this isn't an issue for Franklin's estate, given its estimated complexity, there still may be any number of fights over whether the estate liquidates assets or distributes in kind or which son receives which assets as part of his share. For example, if Franklin kept the rights to her music, how will that get divided between the sons? What if one of her sons wants to keep the music rights and another child wants them sold? What if more than one son wants one of Franklin's many homes to be distributed to him as part of his share? Who wins that fight? If Franklin had left a will, she could have controlled which assets are liquidated, which assets are retained, and who specifically gets what. Instead, the personal representative and the court will determine which assets are liquidated and how the estate is divided.

A dispute over generational wealth can be one of the most trying times in a family's history. Reinhart's [Trust, Estate and Fiduciary Litigation](#) attorneys handle all aspects of estate planning with a primary objective of avoiding future family discord. However, when a family wealth dispute arises, Reinhart's team has developed a reputation for achieving creative and effective resolutions that minimize family conflicts, expense and publicity.



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