

THY WILL BE DONE by Atty. Angelo M. Cabrera

INHERITANCE & THE IMPEACHMENT COURT

One of the highlights of Chief Justice Corona's return to the Senate Impeachment Court last week was the reconciliation between the warring families of Basas and Coronas.

On one hand, it brought tears to and tugged the hearts of painfully sentimental Pinoyos. On the other, it prompted speculations and conspiracy theories among skeptics – Coronavela, as they call it.

Whatever your interpretation may be, for me, what this whole episode confirms is this: that inheritance could become a curse instead of a blessing to the next generations if it is not planned or handled properly. What else could it be? 30 years of animosity and being at odds against each other all because of inheritance?

I remember that dictum that my late father, an estate planning specialist, once said, "Blood is thicker than water, but money is thicker than blood."

In his lengthy statement when he first appeared before the impeachment court, the Chief Justice brought out into the public all the details of the longstanding feud of the Basa family, even going as far as describing the deceased Jose Basa III as a spoiled brat who didn't have work and sold pieces of property of his parents when he ran out of money. He said, "The problem with their family is that they're very rich, but their assets were tied up to properties." He explained that inheritance usually caused jealousy and infighting among children.

There you have it. No less than the Chief Justice of the Highest Court admitting that inheritance can tear apart families.

What does this tell us? That no matter how close knit a family may be, relationships may take the backseat when the patriarch or matriarch, who binds the family together, is taken out of the picture. The pieces of property left behind by the decedent, in the absence of planning or by virtue of a wrong or an inadequate plan, then become commonly owned by the heirs and oftentimes this situation results in serious conflicts and disagreements.

I cannot stress it enough that no one, not even the family of our highest magistrate, is spared from the consequences of inadequate, wrong, or no planning.

Here is a classic example of a family feud lasting more than a quarter of a century. It probably began with the decedent incorporating a property and thereby forcing a co-ownership regime among the children as they were made stockholders of the corporation. One or some turn out dominant, the rest cry foul. One wants control, the

other wants to sell, the rest want to keep the status quo and before we know it they are already taking sides, hurling accusations against the other, severing relationships and bringing the battle go to court.

Creating a family holding corporation is a popular estate planning tool because of its perceived tax advantages and the ease by which shares can be transferred. But just because you created a family corporation and distributed the shares equally among your heirs do not guarantee a feud-free succession. In fact, the very opposite might happen as a co-owned property most often becomes a fertile ground for conflict.

Besides, estate planning is not just about avoiding taxes. It is, more importantly, about keeping the family whole as one passes on his wealth to his children. For what profit the heirs if they gain the whole estate but lose their family peace and harmony in the process?

As we wait with bated breath for the verdict of the senate impeachment court, I am sure that that we all appreciated the free legal tutorial and lessons it provided. I hope that the life lessons from the Basa-Guidote saga did not escape us.

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