

Anonymous wealth

What would you do if you suddenly came into a lot of money? Such as, for example, winning a \$144 million Powerball jackpot? That was the question faced by a long-time Washington, D.C., resident who bought a single \$1 lottery ticket with the numbers randomly selected.

An early decision was to take the lump sum, not the annuity, perhaps because he was 82 years old. That reduced the jackpot to \$79.6 million. The man's attorney estimates that the sum will be reduced further by income taxes to \$60 million.

Still, that's a lot of money, and a lot of responsibility. This individual decided that he wanted to remain anonymous. He hired an attorney and created a limited liability company to receive the proceeds, which then will pass to three trusts. One trust will provide for the education of the man's ten children and 47 grandchildren. A second trust will meet their health care expenses. The third and final trust is for charitable giving.

Lottery officials reportedly were very disappointed that they were not able to present the big check to the big winner. On the back of the lottery ticket is fine print that asserts the owner of the winning ticket grants the lottery the right to use a photograph, together with the winner's name and residence, for publicity purposes. Creation of an entity to receive the proceeds is legal to circumvent this requirement.

Why would someone with sudden wealth want to preserve anonymity? Because he wanted to preserve a normal life. The winner's lawyer said that his office received 80 telephone calls just the first morning after it was revealed that his client had won the jackpot. Most were solicitations, requests for charitable gifts. One would have to take the telephone off the hook, and perhaps get an unlisted number to boot, to avoid such an assault.

The identity of the trustee was not mentioned in the press reports. Choosing the right trustee could help with the professional management of such a game-changing sum of money.