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What the Jimmy Buffett Trust Fight Teaches Advisors About Structure

When Jimmy Buffett died in 2023, he left behind more than a catalog of beach anthems. He left a $275 million estate, a marital trust for his wife Jane, and a will that had been updated the same year he passed. By conventional measures, this was a well-planned estate. Buffett named two co-trustees to manage the trust: Jane, and Richard Mozenter, his accountant and business manager of more than three decades.

Two years later, that plan is in pieces. In June 2025, Jane and Mozenter each filed petitions, in Los Angeles and Palm Beach County respectively, seeking to remove the other as trustee. Each accuses the other of breaching fiduciary duty. Jane's filings describe a trust that has produced less than $2 million a year in income on $275 million in assets, and allege Mozenter has withheld financial information. Mozenter, for his part, has said Buffett deliberately structured the trust to limit Jane's control over it. Whatever the merits on either side, the underlying story is not that Buffett failed to plan. It's that the plan's architecture created a fight nobody could resolve without a courtroom.

Co-Trustees Are a Governance Problem, Not a Backup Plan

Naming two co-trustees is common, and it's often sold as a check-and-balance: one person handles the numbers, the other represents the family's interests. But when both trustees hold equal, undivided authority and there's no tiebreaker, that check-and-balance becomes a veto. Every distribution, every account review, every investment decision requires both parties to agree, and when the relationship sours, so does the trust's ability to function at all.

This is precisely what the Buffett case shows. Two people with a long, complicated personal history were handed joint control of a nine-figure estate with no mechanism to break a deadlock short of dueling lawsuits in two states.

South Dakota's Directed Trust Model Avoids the Deadlock

A directed trust structure, which South Dakota law enables and Sterling Trustees is built around, separates the roles that a single co-trustee arrangement forces together. An independent corporate trustee handles administration, custody, and fiduciary compliance. A separate investment trust advisor directs asset management. A distribution committee or trust advisor makes distribution decisions, often informed by the family's own judgment about need and circumstance. Each party has clearly defined authority in its own lane, rather than shared authority over everything.

Structured this way, a dispute over distributions or investment performance doesn't have to paralyze administration of the trust, because no single disagreement requires unanimous sign-off from parties who may not agree on much else.

A Neutral Corporate Trustee Removes the Personal History

Mozenter wasn't a stranger. He had been Buffett's advisor for thirty years, which is exactly why the arrangement was fragile: he and Jane had a pre-existing relationship, and reportedly a complicated one, that carried directly into how the trust was run. An independent, non-depository corporate trustee has no personal history with the beneficiaries and no stake in old family dynamics. It administers the trust according to its terms and the applicable statute, full stop.

That's not a knock on advisors or accountants serving as trustees. It's a recognition that trusteeship is a fiduciary role with legal obligations, and those obligations are easier to discharge cleanly when the person holding them isn't also managing thirty years of personal relationship history with the beneficiary.

Build in a Way Out Before You Need One

Perhaps the most avoidable part of this dispute is that resolving it required litigation in the first place. South Dakota trusts commonly include mechanisms, through a trust protector or a defined beneficiary consent process, that allow a trustee to be replaced without going to court. If the trust document gives beneficiaries or a protector clear authority to remove and replace a trustee under defined conditions, a breakdown in the trustee relationship becomes an administrative matter instead of a two-state legal battle.

Buffett's estate plan didn't lack sophistication. It lacked an exit ramp.

In South Dakota, Almost None of This Would Be Public

There's a second layer to this story that's easy to miss: nearly everything we know about the Buffett dispute, we know because it's playing out in open court records in Los Angeles and Palm Beach County. The petitions, the accusations, the detail about a $2 million annual return on a $275 million trust — all of it is public record, available to any reporter, competitor, or curious stranger who wants to read it.

South Dakota takes a fundamentally different approach. Trust instruments are not filed with any court or public office, and South Dakota courts automatically seal trust litigation, keeping the existence of the trust, its terms, and any dispute over its administration out of public view. A trustee removal fight of this exact nature, litigated in South Dakota, would very likely never generate a single public filing anyone outside the parties could read. For families who value discretion as much as asset protection, that privacy is not a minor feature. It's often the difference between resolving a family conflict privately and having it become a national headline.

The Buffett estate wasn't undone by a lack of planning. It was undone by a structure that had no way to resolve conflict short of a courtroom.

None of this is a criticism of Jimmy Buffett's intentions. He clearly tried to protect his wife and his legacy with real planning effort. But intentions don't administer a trust; structure does. For advisors working with clients who are building or restructuring trusts of any size, the Buffett case is a useful prompt to ask three questions: Who has authority over what, specifically? Does any single relationship hold veto power over the whole trust? And if that relationship breaks down, is there a defined way to fix it that doesn't start with a lawsuit?

Want to talk through how a South Dakota directed trust structure could give your client's plan a cleaner governance model? Reach out to Antony Joffe to schedule a conversation.

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