

ASHWORTH & ASSOCIATES, P.C.

Newsletter

Business Succession Planning Alternatives

	Lifetime gifts	Bequest	Lifetime sale	Estate sale	Buy-sell agreement
<i>If you want to:</i> Sell your business interest	Not appropriate	Not appropriate	You may be able to sell your business outright-but there is no guarantee	Your estate may be able to sell your business outright-but there is no guarantee	Buy-sell agreement can be used to guarantee the sale of your business
<i>If you want to:</i> Give business to your children	You can control the timing and size of the gifts	You control the size of the gift through your will	Not appropriate	Not appropriate	Not appropriate
<i>If you want to:</i> Sell business to your children	Can be used in conjunction with sale	Not appropriate	You can control timing of sale-but sale is not guaranteed	Your child could buy from your estate-but sale is not guaranteed	Buy-sell can be used to guarantee your child's option to buy your interest
<i>If you want to:</i> Minimize value of your estate	Can be used to reduce the value of your estate and maximize gift tax exclusion	Will not minimize value of your estate	You can control timing of sale-but sale is not guaranteed	Value of business must be included in your estate	Value of business must be included in your estate, but the buy-sell can help establish that value