

## **Business Succession Information Sheet**

### **Business Succession Information**

If you are a business owner, it is imperative that you plan for the future to protect both the viability of your business and your family's financial security. At the **Law Offices of Beck & Christian, APC**, our expert Estate Planning Attorneys possess extensive experience crafting customized Business Succession plans. Whether you own a small family business or have established a closely held company, we can guide you through the process seamlessly.

Attorney Gregory Beck has been practicing law for more than 40 years and is a California State Board Certified Expert in both Estate Planning and Taxation. Attorney Stephen Christian has been in practice since 1993, and is a member of the California Lawyer's Association's Estate and Taxation sections. At the Law Offices of Beck & Christian, our expertise in both areas of the law allow us to provide the highest level of legal counsel and representation.

#### **Why Do I Need a Business Succession Plan?**

Establishing a successful Business Succession Plan is a crucial part of business ownership. Doing so ensures continuity with respect to normal operating procedures should you become incapacitated, either physically or mentally, or pass away. It also sets in place preventative measures to avoid family infighting over company control, thereby lessening the likelihood of litigation and potentially having to file for Bankruptcy protection.

There are numerous complicated legal issues that Business Succession Plans must address, as well as highly intricate tax implications. Each business is unique, and you need a plan that incorporates the needs of the company while simultaneously protecting its assets.

When working with clients to craft a Business Succession Plan that reflects your goals and the needs of your company, it is essential to determine who is best suited to take over different positions and the responsibilities that they carry within your company. Part of this process includes undertaking a realistic and in-depth examination of your family's dynamics. Careful consideration and intelligent decision making should result in choosing individuals who have the ability to work well together to fill crucial roles within the business. Doing so prior to any unexpected events taking place greatly minimizes the potential for future litigation and possible dissolution of the business.

Business Succession Plans must also take into account complex tax issues that could have devastating implications for both your business and family if they are not properly addressed in the controlling documents. When you retain our services to execute a comprehensive Business Succession Plan, our seasoned experts will work closely with you to obtain an in-depth understanding of your company's finances to lessen any overall tax liabilities and prevent penalties.

## **What Should a Business Succession Plan Include?**

**A well-crafted Business Succession Plan should clearly set forth the following:**

- Who should take over specific positions within the company
- Policies for hiring within the family and outside the family
- Setting forth employee benefits both for family members and non-familial partners or employees
- How monies should be disbursed among family members and any outside investors or partners
- Guidelines for the transfer of ownership within the family or outside the family
- Setting forth financial goals and coordinating these goals to reduce state and federal tax liabilities
- Conflict resolution solutions

Prior to devising your Business Succession Plan, we will thoroughly explain all of the potential legal and taxation ramifications. Our attorneys will work diligently to make certain that you possess the knowledge necessary to make the best decisions about how your company should be managed, who should take over various executive and managerial roles, and whether any changes need to be made to the business's structuring to provide the highest level of financial protection regarding your tax liabilities.

## **When Should You Establish a Business Succession Plan?**

Because life is unpredictable, setting up a Business Succession Plan should take place as soon as possible after launching your new company. Taking preemptive measures from the outset provides greater stability and security. Revisions should be made to your Succession Plan as the company grows and as your family changes. It is vital to make sure that your Succession Plan is updated regularly. Otherwise, should an unexpected event take place, you may find that it's too late to enact changes and your business may suffer as a result.

Whether you are a new business owner or have been successfully operating your own company for a lengthy period of time, it is essential that you seek the advice of counsel to draft a comprehensive Business Succession Plan to act as a safeguard for your family's future should something devastating happen.

## **Contact Business Succession Lawyers Beck & Christian, APC**

**Please contact Beck & Christian, APC at (949) 855-9250** to schedule a consultation with an Estate Planning and Tax Specialist to discuss your Business Succession issues. We will meet with you for a comprehensive, in-office consultation, during which we will provide you with the highest quality legal counsel.

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