

Calling All Business Brokers: Are You Trying to Overcome a Stalled Transaction, Running Into Complexities, or Need Cutting Edge Post Transaction Tax Minimization?

Bonus Article

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Has your deal stalled? Is there an outstanding or impending issue that continues to remain unresolved? Or has your transaction reached a level of complexity in which you need the expertise of a Merger and Acquisition attorney or CPA. It's no secret that buying and selling companies can reach complication of varying degrees no matter what size transaction is involved. When a transaction reaches an uncomfortable level of complexity it may be time to reach out to an attorney and CPA who maintain an expertise in the field of mergers and acquisitions, more specifically the structuring, tax and accounting of such transactions. An attorney and CPA that can break down the complexities plaguing the progression of a transaction while putting forth a guarantee the path forward is lawful, ethical, valid under IRS code, and most beneficial to either the buyer or seller or both.

I recently had the pleasure of attending a very large Business Broker's Convention where I was able to connect with business brokers (brokers), teach workshops, and educate through a class aimed at equipping broker's with the knowledge and guidance needed to work through transactions. In connecting with a vast array of brokers, many being versed in different industries in different sectors throughout the United States taking on various size transactions three things became evident. First, my continued appreciation for the efforts, knowledge, and dedication of brokers exemplified through their ability to connect with buyers and sellers, bring parties together, and ultimately make a deal happen. Second, I noticed an overarching need for an attorney and CPA team to step in and back a broker in times when the deal becomes uncomfortably complex. Third, I received a number of requests for insight on post-transaction for tax incentives and minimization.

In addressing a need for an attorney and CPA it's no secret the complexity of buying and selling businesses from a legal, accounting, and tax perspective often becomes apparent early in the transaction. Whether it be the deal structure, purchase price allocation, stock/asset basis, or taxable effect, each item severely impacts the outcome to both buyer and seller and could be the cause of a stall or termination of a transaction. It's at this point our team at The Center for Financial, Legal & Tax Planning, Inc., (The Center) can interject, obtain a solution for both buyer and seller and progress the transaction forward. Whether it be structuring issues to reduce closing concerns, purchase price allocations that avoid tax, or an expert opinion on a variety of complex matters, The Center can interject and guarantee an outcome that leaves buyers and sellers in the strongest position post closing and fully satisfied with their transaction. Our team is equipped with transactional CPA's and attorneys that understand transactional complexities, are able to take on the "grey" area of the tax code, and ultimately minimize taxes to the fullest extent possible. Our value stems from our "one-stop-shop" ability to handle all aspects of a transaction from start to finish.

Another aspect in high demand during the broker's convention were post-closing tax minimization avenues. One in particular that is an up and coming focus

of major IRS Regulation are what's called "Economic Opportunity Zones." An avenue that Matt Chancey of ClaraPhi Advisory Network , an expert in tax-equity investing has stated that opportunity zone funds will become an important tool for helping sellers of real estate and businesses to defer, reduce and eliminate capital gain taxes. The key is finding the right fund with underlying assets that will perform over the next market cycle backed by institutional managers with demonstrated track records of success in protecting investor capital. Having expertise in this area and an established relationship with best-in-class managers gives us a competitive advantage. It's also important for there to be an element of financial planning as well since liquidity, cash flows and diversification are all still very important. This is not a one size fits all solution.

To conclude, we at The Center truly appreciate the business broker community for us as transactional attorneys and CPA's are often times reliant on the brokers bringing the transaction together. Moreover, we at The Center strive to be that tool in a broker's tool belt used from start to finish or at anytime complexities arise or insight is needed. We seek to provide that guarantee a broker needs to ensure the path forward is sound, legal and paramount for client satisfaction. If this protection and expertise is what you need please call Roman A. Basi or Andrew Rohne at The Center for Financial, Legal & Tax Planning, Inc., for a free consultation at (618)-997-3436.