

Tax Planning: Family Businesses

Understanding how the tax law affects family businesses



Given the complexity of changes to the tax code in the United States, there is much to consider in determining the impact tax legislation will have on each of us.

I'm here to help.

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Family businesses

Privately held stock

You may want to consider transferring stock in your family business to a dynastic GST-exempt trust. In addition to not being prudent or acceptable to the family, retaining personal ownership of the stock leaves you or the business exposed to:

- Potential estate and GST taxes
- Remarriage and creditor risks



Use of a dynastic trust can substantially extend these protections for many generations.

Valuation discounts

You can use discounting techniques, which are back in vogue since the proposed Section 2704 Treasury regulations, which would have arguably eliminated the use of valuation discounts in transferring interests in family-controlled entities, were withdrawn last year and thus continue to be highly effective in the current low interest-rate environment, to further leverage wealth transferred via the increased transfer-tax exemption amounts.



**Let's work together with
your tax and legal
professionals to determine
how the legislation affects
you directly.**



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