

DON'T KILL YOUR GOLDEN GOOSE

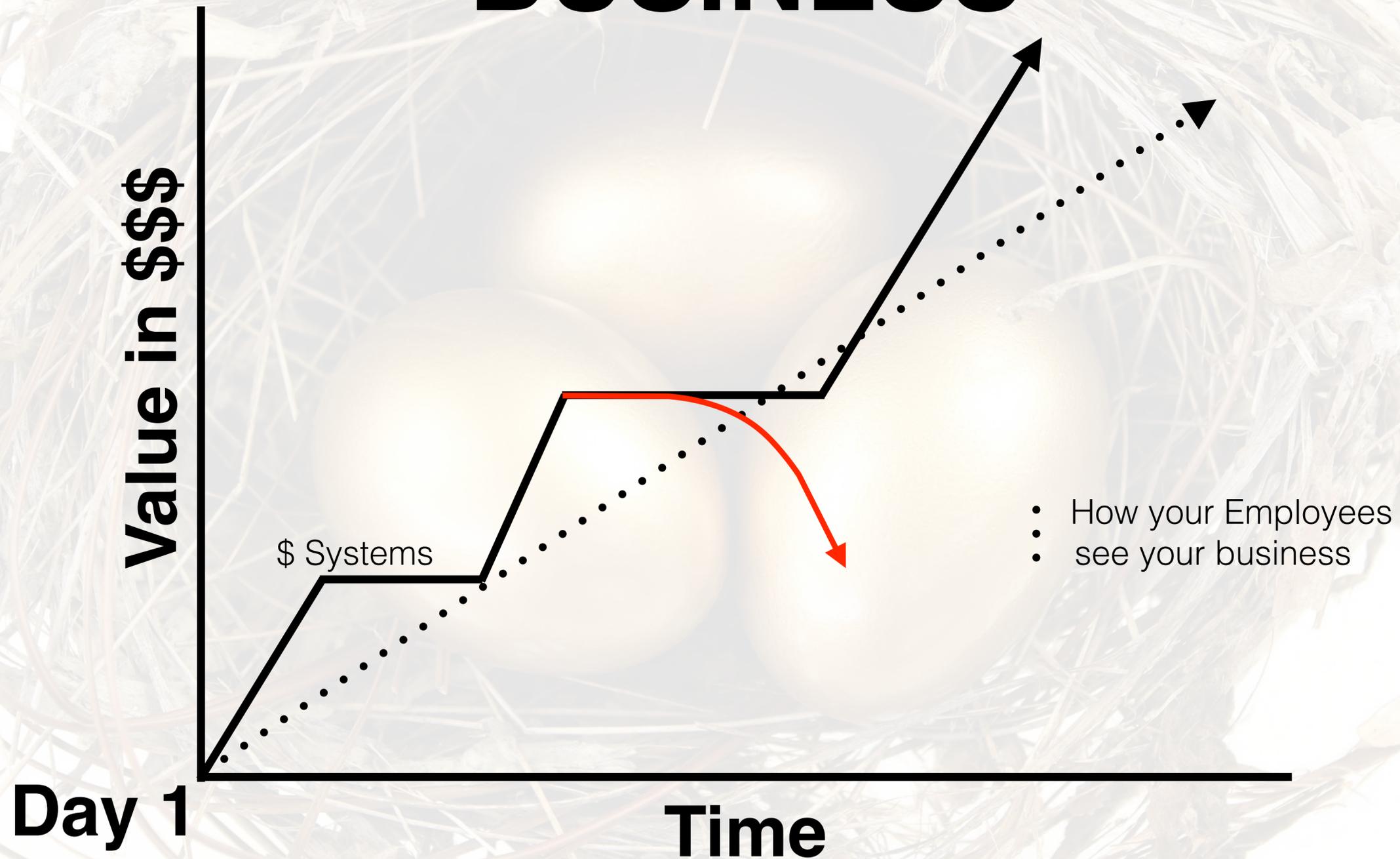


SUCCESSION STRATEGIES TO PROTECT
AND PERPETUATE YOUR BUSINESS

LARRY OXENHAM



TRUE LIFE OF A BUSINESS



“The biggest challenge facing entrepreneurs, professionals, business owners and real estate investors is getting their legal documents in order.

“If your legal documents are not in order you can’t be sure what will happen when you go to court, if you pass on, or if you try to sell an asset.”

Keith Magnin, Attorney



Some Business/Personal Legal Entities:

Joint Tenancy
Tenants in Entirety
Sole Proprietorship
C Corporation
S Corporation
LLC
Limited Partnership
Will
Living Trust
Charitable Remainder Trust
Buy/Sell
Power of Attorney



THREATS TO WEALTH

LAWSUITS

TAXES



PROBATE &
ESTATE TAXES



METHODS OF OWNERSHIP

- C OR S CORPORATION
FOR MANAGEMENT AND
TAXATION
- LIMITED PARTNERSHIP/
LLC – OWNERSHIP AND
PROTECTION



CORPORATION STATES

- 4 'Asset Protection' States - Alaska, Nevada, Wyoming, Delaware. 'At risk' assets owned here.
- Resident agent - registers for you.
- 60% of Fortune 500 companies have a Delaware headquarters.
- 90% of US Fortune 100 companies have a Nevada headquarters



LAWSUIT WITH FLP/LLC

- › NEVER A JUDGMENT
- › ALWAYS A CHARGING ORDER



CHARGING ORDER

- NEVER TAKE ASSETS - ALL 50 STATES
- CAN TAKE ALL NET EARNINGS
- PARAGRAPH 2.9:
- “MP RESERVES RIGHT TO WITHHOLD ALL DISTRIBUTIONS OF PROFIT.”
- IRS 77-137



IRS 77-137

CREDITOR NOW

MUST PAY INCOME TAXES

EVEN IF NO INCOME IS

DISTRIBUTED BY THE

PARTNERSHIP/LLC!



*SAMPLE BLUEPRINT

INDIANA RESIDENCE

- Provides Lawsuit Protection
- Reduces Taxes
- Eliminates Probate

