Company succession: A complex process with lots of room to manoeuvre

Company succession: A complex process with lots of room to manoeuvre

GRP Rainer Lawyers and Tax Advisors in Cologne, Berlin, Bonn, Düsseldorf, Frankfurt, Hamburg, Munich, Stuttgart and London - www.grprainer.com/en conclude: Should the boss, that is to say the owner of a firm, wish to retire in the foreseeable future, the issue of company succession has to be settled - a complex process that raises many questions (including legal ones).

In the case of a family business, the successor is frequently sought from within the family, as the business should be passed on to a trustworthy pair of hands. The company can then be bequeathed. Those inheriting businesses are at present still able to benefit from considerable tax concessions, yet these could come to an end in the foreseeable future. It is currently being discussed whether those inheriting businesses are benefiting from excessive preferential treatment compared with private heirs and whether the principle of equality is thereby being infringed. A new arrangement is expected in autumn. It is conceivable that the tax concessions will then be substantially limited.

In order to protect the company's assets in the case of inheritance, a lawyer experienced in the fields of inheritance and tax law ought to be consulted.

If the business is to be sold rather than bequeathed, there are two options. The firm switches owner in return for a one-off payment of an agreed purchase price or other payment arrangements are agreed upon, for example regular instalments or annuity payments. It is also conceivable to sell the firm to the existing management (management buy-out) or to the management of an external organisation (management buy-in). The organisational possibilities and tax consequences must be considered with every sale. For this reason, the sale of a company should always be well thought through and prepared.

Company succession touches on several legal fields. Issues pertaining to inheritance and family law must equally be considered as well as tax regulations. A team of experienced and highly competent lawyers and tax advisors from different legal fields can assist in arranging a smooth company succession to the satisfaction of all parties involved. They can accompany company succession from the outset, work out a suitable approach and exploit the room to manoeuvre for the benefit of those concerned.

http://www.grprainer.com/en/Business-Succession.html

Pressekontakt

GRP Rainer LLP Lawyers Tax Advisors

Herr Michael Rainer
Hohenzollernring 21-23
50672 Cologne

grprainer.com/en
press@grprainer.com

Firmenkontakt

GRP Rainer LLP Lawyers Tax Advisors

Herr Michael Rainer
Hohenzollernring 21-23
50672 Cologne

grprainer.com/en
press@grprainer.com

GRP Rainer LLP www.grprainer.com/en/ is an international firm of lawyers and tax advisors who are specialists in commercial law. The firm counsels commercial and industrial companies and corporations, as well as associations, small- and mid-sized businesses, self-employed freelancers and private individuals worldwide from offices Cologne, Berlin, Bonn, Dusseldorf, Frankfurt, Hamburg, Munich, Stuttgart and London UK.

Anlage: Bild

www.grprainer.com