

# *Tax Aspects of Buying or Selling a Business* ©

**Objective:** When businesses are purchased or sold, the tax consequences often surprise the parties. In order to minimize the after-tax cost to the purchaser or maximize the after-tax benefits to the seller, the parties or their advisors must know the applicable tax rules. This practical course will address the critical federal income tax issues that should be considered whenever a business is purchased or sold.

## **What you will learn:**

- The tax advantages of buying assets instead of stock
- How the purchase price should be allocated to maximize tax benefits
- Reasons to sell stock instead of assets
- Ways to avoid two levels of tax
- The impact of net operating loss carryovers
- How the installment sale rules work
- Should the selling entity liquidate after an asset sale?
- What is required for a tax-free reorganization
- The differences among “A,” “B,” and “C” reorganizations
- Special rules applicable to S corporations
- The expenses the buyer can deduct immediately upon the purchase

**CPE:** 4 or 8 hours

**Level:** Basic to Intermediate

**Category:** Taxation

**Prerequisites:** None

**Instructor:** Dennis Gerschick