

Taxes Related to Operations

1st Part:

Stock sale vs Asset Sale:

- Stock Sale: Operating as corporation, LLC, etc. – can sell underlying corporation (entity that holds the assets) – shares – selling all that is associated with entity.
 - Selling any “problems” with it (pending lawsuit, etc)
 - Buyers POV – reason to wonder
 - Asset Sale: All assets (accounts receivable/payable, inventory, “good name,” etc.), but it is done as individual assets.
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- ❖ Either will allow you to sell your entire entity
 - ❖ Real Estate treated separately

2nd Part:

Taxes:

- Example: Buying stock purchase -> taxes associated with that are different than with an asset sale
 - *Need professional guidance with taxes*
 - What are YOUR implications between Asset and Stock sale?
 - What are your BUYER’S implications?

Fun Fact: ‘Getting to Yes’ is the greatest book of all time!

