

roles and transfer the business (with or without ownership) to the successors within the family. A tax advisor can assess the tax implications of individual decisions within the transfer. A skilled legal expert experienced in transferring family assets to successors within the family will help a business owner to anticipate various possible transfer methods and, in particular, the legal consequences of inadequately considered gratuitous or paid transfers of assets to family members or other individuals. Based on prudent decisions, they will be able to draft appropriate legal documents.

The business owner will be the integrator of all these advisory processes and the **ultimate decision-maker**, with an accountant serving as a valuable support in all activities if appropriately trained to participate in the transfer process.

Below you will find questions regarding self assessment in a Table 1. Read the questionnaire and find the appropriate answer that suits you. After that, you can easily structure your needs and make better decisions. This questionnaire will help you in making decisions about your desires and needs after the transfer of the business to successors structure, your wishes and needs and make decisions regarding the transfer.

Table 1: Questions for the self-assessment tool

| Question | Possible Answers |
|---|---|
| Why do I want to transfer assets to my children during my lifetime? | <ul style="list-style-type: none"> • High maintenance costs • Too much energy required for asset management • High estate taxes • Exclusion of certain individuals from inheritance • To carry on the legacy and keep the business in the family • To leave something to my children • Other |
| Which assets do I want to transfer to the successors? | <ul style="list-style-type: none"> • Real estate • Movable assets • Private assets • Business assets |
| Who are the potential recipients of the assets? | <ul style="list-style-type: none"> • Spouse/partner • All children in equal or different shares • Only some of the children • Other relatives • Employees • Third parties (selling the company) |

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| What will be my role in the company after transferring it to the successors? | <ul style="list-style-type: none"> • Complete exit from ownership and management structure • Remain as a shareholder • Remain as a shareholder and director • Remain as a director, transfer ownership to family members • Remain as an employee, occasionally work as a retiree • Other |
| In what way do I want to transfer the assets to the successors? | <ul style="list-style-type: none"> • Repayment (sale agreement, life maintenance agreement) • Gratuitous (gift) • Partial repayment/partial gratuitous |
| To what extent/value do I want to transfer the assets to the recipient? | <ul style="list-style-type: none"> • In full • Partially |
| Do I want anything else in return for the gifted assets, besides money? | <ul style="list-style-type: none"> • Spending time together, visiting, sharing vacations, celebrating birthdays, life maintenance... |

We dare to claim that if the owners of a family business make good decisions regarding the transfer of the business to their successors, they will carry out the transfer of the family business to their successors with a lighter heart. Nevertheless, they will need a lot of internal strength, optimism, knowledge, and skills to ensure that the transfer proceeds according to the planned strategy.

PREPARATION OF THE BUSINESS FOR TRANSFER TO SUCCESSORS

Proper preparation of the business for transfer to successors is a prerequisite for a smooth and successful transfer. In this final stage of the transfer, the business owner organizes various activities in the financial, organizational, legal, and tax domains.

The following tips can be beneficial in preparing the business for transfer to the successors (Lambrecht and Donckels, 2008):

The following case study illustrates a good practice example of preparation of succession process.

[Case study 1](#)