

# Business Owner Information

## Business Information

Registered Business Name:

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DBA or Affiliated Entities (if applicable):

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Business Address:

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Tax Year:  Calendar  Fiscal: Fiscal Year

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## Business Planning Objectives

Rate the Importance of each item according to the following scale:

	Low	Medium	High
Maintaining control of your business throughout your lifetime			
Eliminating the need to liquidate your business to pay estate taxes			
Passing your business in a manner where it is sold to key employees			
Creating a business planning concept to help you sell your business to key employees in an efficient manner			
Providing incentives to your key employees with non-stock compensation alternatives			
Having your key employees own stock in your company			
Protecting your business from the death of a key employee			
Protecting your key employees and their families from serious illness and disability			
Protecting your company from serious illness and disability of your employees			
Key employees to the continued success of your company			
Passing your business in a manner that maintains family ownership and control			
Maintaining family harmony after your estate has been settled			
Having your spouse take an active/ownership role in the business plan after you pass			
Creating a business plan concept that shows you how to gift/sell/bequest your business to your children/heirs			
Equalizing the inheritance for your children not active in the business			
Leaving the business only to active children/heirs versus all children/heirs			
Having your children/heirs active in the business with regards to the future success of your business			
Passing your business in a manner where it is sold to a third party			
Reviewing your business' property and casualty coverages every 2 years			
Reviewing alternative sources for your existing line of credit			
Reviewing the efficiency of your existing long-term debt structure			
Buying out a partner's interest in the event of his or her debt			

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**Business Structure and Industry**

Type of Business :

- Sole Proprietorship
- Partnership
- Joint Venture
- C Corp
- S Corp
- Nonprofit Org.
- Professional Corporation/Association
- LLC – Taxed as:
  - Partnership
  - Corporation
  - Self-Employed

What is the nature of the business? \_\_\_\_\_

How long have you been in business? \_\_\_\_\_ How did you get started? \_\_\_\_\_

What is the industry or profession outlook in the future? \_\_\_\_\_

What do you value about your business? \_\_\_\_\_

What are some day-to-day problems you are faced with? \_\_\_\_\_

**Business Interests**

Company Value: \_\_\_\_\_

How was the value determined? \_\_\_\_\_

When was this value determined? \_\_\_\_\_

Business Tax Basis? \_\_\_\_\_

Owners Name	Ownership %	Actively Working in the Business? Y/N

**Cash Flow**

Current Income/Revenues: \_\_\_\_\_

Do you expect significant changes to income? If so, how and when? \_\_\_\_\_

Current Expenses: \_\_\_\_\_

Do you expect significant changes to expenses? If so, how and when? \_\_\_\_\_

Distribution Type and Amount: \_\_\_\_\_

### Important Considerations

Are you active in the business?  Yes  No

Is Spouse active in the business?  Yes  No

# of Children active in the business: \_\_\_\_\_

Are any relatives active in the business?  Yes  No

Is there a Shareholder, Partnership or Operating Agreement?  Yes  No

If yes, does current agreement permit gifting?  Yes  No

### Business Event Checklist

In the past five years, check all that apply:

- Have you expanded or downsized your business?
- Have business sales increased or decreased?
- Have there been changes with family involvement?
- Have you taken in or lost a business partner?
- Have you changed your business structure?
- Have you had changes with key employees?
- Has employee turnover increased?
- Have you implemented any management model changes?
- Have your retirement goals shifted (i.e. when and how you will retire?)
- Have there been changes in your personal life such as marriage, divorce, death?

### Employee Information

How many employees currently work for your business? \_\_\_\_\_

Does employee turnover impact business operations and success?  Yes  No

If yes, how so?: \_\_\_\_\_

Do you classify any employees as "key" employees?  Yes  No

If yes, please complete the "Key Employee Data" section.

How important is attracting new talent to your business? \_\_\_\_\_

What about making sure that talent stays within your organization? \_\_\_\_\_

Are you currently hiring?  Yes  No

Have you had employees express concern about the taxes they pay today?  Yes  No

## Key Employee Data

If you classify any employees as "key" employees:

How do you make this distinction?

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Why are they important to the success of your company?

- Would your company suffer if they left?  Yes  No
- Do you think your key employee(s) are satisfied with their role(s) within your organization?  Yes  No
- Have you done anything to protect your business from the possible loss of a key employee?  Yes  No
- Have you ever done anything in the past for certain important employees?  Yes  No
- Would you like to do something special for any of your employees to keep them committed?  Yes  No

**Please identify all key employees.**

	Key Employee 1	Key Employee 2	Key Employee 3	Key Employee 4
Name				
Title				
Gender				
Owner (Yes or No)				
Date of Birth/Age				
Annual Compensation				

## Transitioning Out of Business Ownership

What are your plans for your business? \_\_\_\_\_

When do you expect the transaction to occur (Calendar Year, specific age, retirement, at death of client or spouse)? \_\_\_\_\_

- Do you plan to sell?  Yes  No
- Do you have plans to leave any business interest to family members involved with the business?  Yes  No
- Do you want to benefit family members who have no active involvement in your business?  Yes  No
- Do you have a formal agreement such as a Buy-Sell?  Yes  No

**If yes: Buy-Sell Agreement in Place: (Please include a copy of the buy/sell agreement)**

- When was the last time the agreement was reviewed? \_\_\_\_\_
- Have there been any significant changes to your business since the agreement was established?  
\_\_\_\_\_
- How is the existing buy-sell agreement funded? \_\_\_\_\_
- If the existing agreement is funded with life insurance, have you determined disposition of contracts in the event of:
  - Termination of Agreement \_\_\_\_\_
  - Termination of Employment \_\_\_\_\_
  - Death or Departure of Owner \_\_\_\_\_
- Provisions governing termination of agreement \_\_\_\_\_
- Does the existing agreement have the ability to accommodate new owners?  Yes  No

Life Insurance Policy Funding Provisions:

Insured	Owner	Beneficiary	Face Amount	Who pays the Premium?

**If no: Buy-Sell Agreement not in Place:**

- If you are planning to sell, will you:  Sell Outright  Help fund the purchase
- How far in the future do you think you will want to sell? \_\_\_\_\_
- Who should acquire the interest of a departing owner?
  - Remaining Share Holder(s)
  - Business
  - Outside Buyer
  - Combination
  - Owner's Family Member(s)
- How should ownership interests be allocated after the sale? \_\_\_\_\_
- How will the buyer fund the purchase?
  - Cash Flow from Business
  - Establishing sinking fund
  - Bank Loan
  - Life Insurance
  - Other \_\_\_\_\_
- Is a basis step-up important to the remaining owners? \_\_\_\_\_
- Are the departing owner(s) and proposed new owner(s) related? If yes, will family attribution rule be an issue?  Yes  No
- Will the sale of your business provide your retirement income? If yes, what percentage of your retirement income is dependent on the sale of your business?  Yes  No

- Triggering Events for Sale of Business:
  - Death
  - Disability
  - Retirement
  - Bankruptcy
  - Divorce
  - Termination of Employment
  - Other
  
- Do you intend to fund the disability buyout provision with a disability income policy?  Yes  No
  
- With respect to each triggering event, should buyout be mandatory or optional?
  - Owners or shareholders required to sell
  - Owners or shareholders required to buy

### Family in the Business

- Will a family member be able to take ownership in the business?  Yes  No
- Do you fear they may be inexperienced and possibly interfere with management?  Yes  No
- Have you discussed the treatment of children with your spouse?  Yes  No
- Would you like to treat children in the business equally?  Yes  No
- Are there children not involved in the business?  Yes  No

What planning have you done to equalize inheritance between family members who will acquire the business and family members who will not? \_\_\_\_\_

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### Employee Benefit Package

*Does your company offer:*

**Health Insurance:**  Yes  No

If yes, what is your employer contribution? \_\_\_\_\_

**Dental Insurance:**  Yes  No

If yes, what is your employer contribution? \_\_\_\_\_

**Vision Insurance:**  Yes  No

If yes, what is your employer contribution? \_\_\_\_\_

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**Group Life Insurance:**  Yes  No

If yes, what is your employer contribution? \_\_\_\_\_

**Group DI:**  Yes  No

If yes, what is your employer contribution? \_\_\_\_\_

**Retirement Plan:**  Yes  No

If yes, please remit copy of your Adoption Agreement, Summary Plan Description and most recent Plan Statement.

Answer the following:

- What type of Plan:
- Do you offer an Employer Match?
- Are you satisfied with the current employee contributions?
- Are you satisfied with the plan administration and fees?