Minnesota State Bar Association
Continuing Legal Education
*Your State Bar at Work for You*

# Advising the Family Business Owner About Succession & Estate Planning Issues

One of the biggest issues for business owners is succession and estate planning. Successfully advising the family business owner involves navigating complex family issues while providing comprehensive income and estate tax solutions. In this seminar, you will learn the devices and techniques created especially for business owners who wish to transfer a family business either during life or at their death.

**Thursday, August 30, 2012**
Minnesota CLE Conference Center
Seventh Street & Nicollet Mall
Third Floor City Center, Minneapolis
*Video replay details inside.*

# Schedule

8:30 – 9:00 a.m. CHECK-IN & CONTINENTAL BREAKFAST

9:00 – 9:45 a.m.

## Non-Tax Considerations in Family Business Succession Planning

This presentation will present an overview of the challenges, obstacles and critical issues that family-owned businesses face during the succession planning process, including family dynamics, business operational and governance issues, the dysfunctional family, and who to involve in the succession planning process.

– *Thomas M. Hubler*

9:45 – 10:15 a.m.

## Setting Reasonable Expectations for Family Business Succession

Estate or business succession planning – which comes first? How do you access the owner's situation? How can you divide the business succession into workable parts? What can the business reasonably achieve – with or without the owner? How should the owner proceed? Family equalization issues or "Why did he get the stock and I didn't?"

– *Kimberly A. Lowe*

10:15 – 10:30 a.m. BREAK

10:30 – 11:45 p.m.

## Buy-Sell Agreements and Succession Planning

Planning and drafting issues to satisfy client goals in differing situations; forms of agreement and critical provisions for tax planning; funding; redemption and cross-purchase buy-sell agreements; permitted estate planning transfers to family members and trusts for family members; effects of the buy-sell agreement on estate tax valuation of the business.

– *J. Patrick Plunkett*

11:45 a.m. – 12:45 p.m. LUNCH (on your own)

12:45 – 2:00 p.m.

## Estate Planning Tools

This segment will explore the use of various estate planning tools to transfer the family business during life and at death. Topics that will be explored include full-use applicable exclusion amount for large gifts in 2012; the use of installment sales – both taxable sales and non-taxable sales to grantor trusts; income tax basis issues; payment of estate taxes in installments under Code Section 6166; alternate valuation under Code Section 2032; the zeroed out testamentary business CLAT; the use of self-cancelling installment notes or "SCINs"; the use of the private annuity in all its forms; and the use of partnerships and limited liability companies as a leveraging tool.

– *William S. Forsberg*

2:00 – 2:45 p.m.

## The Use of Life Insurance

Why the family business owner needs insurance and how best to structure the insurance purchase and ownership to achieve those goals. Creative uses for life insurance in the family-owned business, including life insurance trusts; split-dollar insurance and insurance to fund buy-sell agreements, pay estate taxes, and provide liquidity to non-family employees.

– *Jeremy P. Green*

2:45 – 3:00 p.m. BREAK

3:00 – 4:00 p.m.

## Valuation of Business Interests

An overview of business valuations in general and as they relate to business matters; key issues/concepts/definitions; USPAP, Revenue Rulings and other guidelines for business valuations; how purpose affects value determination; valuation approaches and methods; identifying influential factors; the valuation process; timing and fees; valuation discounts and family transfers; and buy-sell agreement provisions and potential pitfalls.

– *John H. Heidebrecht*

4:00 – 4:30 p.m.

## Question & Answer Session with Faculty Members

– *Moderated by William S. Forsberg*

# Faculty

**William S. Forsberg**
Course Chairperson
Leonard Street and Deinard PA
Minneapolis

**Jeremy P. Green, CFP, CFTA, CLU, CEBS, MSFS, EA**
Carlson Capital Management Inc.
Bloomington

**John H. Heidebrecht, ASA, CFE, CFFA, CDFA, CAC, MBA**
Berning & Heidebrecht Ltd.
Medina

**Thomas M. Hubler**
Hubler Family Business Consultants
Minneapolis

**Kimberly A. Lowe**
Fredrikson & Byron PA
Minneapolis

**J. Patrick Plunkett**
Moore Costello & Hart PLLP
Saint Paul

# COURSE INFORMATION

## LIVE PRESENTATION

**Thursday, August 30, 2012**
Minnesota CLE Conference Center
Seventh Street & Nicollet Mall
Third Floor City Center, Minneapolis

## VIDEO REPLAYS

Schedule times are subject to change due to abbreviated lunch and break periods. Start times are as indicated below. Please register at least one week in advance to secure your copy of the materials on the day of the seminar.

**Minneapolis – 9/12/12; (Reg. 8:30; Replay 9:00)**
Minnesota CLE Conference Center
Seventh Street & Nicollet Mall
Third Floor City Center

**Alexandria – 10/12/12; (Reg. 8:30; Replay 9:00)**
Douglas County Courthouse
305 Eighth Avenue West, Jury Assembly Room

**Brainerd – 10/12/12; (Reg. 8:30; Replay 9:00)**
Brainerd Public Library
416 Fifth Street South

**Duluth – 10/25/12; (Reg. 8:30; Replay 9:00)**
Radisson Hotel Duluth—Harborview
505 West Superior Street

**Mankato – 10/12/12; (Reg. 8:15; Replay 8:30)**
Farrish Johnson Law Office
Eastwood Industrial Centre, 1907 Excel Drive

**Winona – 10/12/12; (Reg. 8:30; Replay 9:00)**
Pflughoeft, Pederson & Johnsrud
160 Lafayette Street

## CREDITS

Minnesota CLE has applied to the Minnesota State Board of CLE for **6.0 standard CLE credits**.

## NEW LAWYER SCHOLARSHIP PROGRAM

In recognition of the challenges facing lawyers entering the profession, Minnesota Continuing Legal Education has established a scholarship program for unemployed and underemployed lawyers admitted less than three years. Those wishing to apply for such assistance should contact Grant at **651-254-2111** or **gdavies@minncle.org** for details.

## CANCELLATION POLICY/ NO-SHOW POLICY

Paid registrants who cancel their registration at least 3 business days before the program will receive a full credit on their account; if fewer than 3 business days, a $25 administrative fee will be deducted. Paid registrants who fail to attend will receive the written materials. Passholders may purchase the course materials at 50% of the full retail price.

## ACCOMMODATION

If you have a disability and need an accommodation in order to attend this seminar, please contact us as soon as possible or at least one week in advance of the program. For further information or assistance, contact Minnesota CLE at 2550 University Avenue West, Suite 160-S, Saint Paul, MN 55114 or call us at 651-227-8266 or 800-759-8840.

## QUESTIONS?

Please call Minnesota CLE at **651-227-8266** or **800-759-8840** or visit us online at **www.minncle.org.**

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**OR CALL:** 651-227-8266 or 800-759-8840

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400-13 | Ido

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**LIVE – 8/30/12:**

☐ $245 MSBA member ☐ $245 paralegal ☐ $295 standard rate

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☐ $215 MSBA member ☐ $215 paralegal ☐ $265 standard rate

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