

W H A R T O N

VALUATION ASSOCIATES INC.

ESTATE & GIFT VALUATION SERVICES

Trusted Business Valuation Advisors

Owners of closely held companies typically devote their entire careers to building their businesses, only to face the prospect of paying out a significant portion of their personal wealth to federal and state governments through estate and inheritance taxes. The estate planning problems of closely held business owners are exacerbated by the fact that the business interests are illiquid and typically represent a significant portion of their estates.

Estate planning professionals have devised a number of techniques to mitigate the effects of these taxes and at the same time further the non-tax objectives of the business owner, such as the equal treatment of children in the estate plan. These techniques include the use of:

- Family Limited Partnerships (FLPs)
- Gifts and charitable donations
- Trusts
- Limited Liability Companies (LLCs)
- Buy-sell agreements
- Life insurance
- Remainder interests, private annuities and self-canceling notes

Reliable Valuations for Tax Compliance

The effective application of these estate planning techniques requires sound, reliable valuations of the underlying closely held business interest. cursory or poorly conceived and researched valuations can result in unpleasant surprises, including costly litigation: it is always more cost effective to “do it right the first time.” When an estate contains a closely held business interest, a well prepared valuation can reduce the likelihood of a long, drawn out battle with the IRS. Our professionals have assisted attorneys and accountants in achieving very favorable valuation-based tax settlements with the IRS, at both the agent and appeals level.

Personalized service. Rigorous analysis. Independent judgment.



Experts at Valuing Private Companies

Wharton Valuation has been in the business of business valuation for over 20 years. Our team stays current with the latest legal developments related to gift and estate taxation, including court cases and the latest industry developments related to marketability and blockage discounts, key person discounts, minority interest and control discounts. Hundreds of clients have trusted us to provide well researched and supportable valuations for tax compliance.

Commonly valued assets include:

- *Common, preferred and restricted stock*
- *Warrants and other forms of stock options*
- *Bonds, notes and other forms of debt*
- *Partnerships*
- *Intellectual property*
- *Professional practices*
- *Illiquid assets*

About Wharton Valuation Associates

Established in 1990, Wharton Valuation Associates, Inc. is a financial consulting firm specializing in the analysis and valuation of business interests. We deliver individualized service and solutions to assist clients with a wide range of planning and transactional needs including tax compliance, financial reporting, ESOPs, and corporate finance transactions. Our team is comprised of seasoned experts skilled at the art and science of performing valuation. We have successfully defended our work before the IRS, the SEC, and the Department of Labor, as well as in testimony in federal and state courts and mediation and arbitration proceedings. This depth of experience is appreciated by many leading attorneys, accountants, bankers, and other professional advisors nationwide who refer their most complex valuation problems to us.