

# Thinking Ahead: Why Every Business Owner Needs an Exit Strategy

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**There comes a time in every business owner's journey when it's time to think about what's next. Maybe you're ready to retire and enjoy the fruits of your labor. Maybe you have a new venture you're eager to launch. Or maybe you simply want to step away from day-to-day operations and regain your time. Whatever your reason, having a thoughtful exit strategy in place is essential. It not only helps you maximize the value of your business but also ensures a smooth and successful transition when the time comes.**

**At Strategic Tax Planning, our team includes experienced consulting and tax professionals who have long helped business owners prepare for this pivotal moment. Whether your timeline is three months or three years, our team is here to help you position your business for a successful transition, protect the value you've built, and walk away on your terms.**

## What Is Exit Planning?

Exit planning is the process of evaluating your business, aligning it with your personal and financial goals, and preparing for a future ownership transition. While most business owners think of an exit as a sale, there are many potential paths. Some will look to sell to a third party, such as a private equity firm or strategic buyer. Others may prefer to pass the business on to a family member, a trusted partner, or even sell it to their employees

through an ESOP or management buyout.

The key is that you are no longer just running your business. You are building it with an intentional plan to step away, and doing so in a way that protects the value you've created.

## Why Exit Planning Matters

Too many business owners wait until they are ready to exit before they begin planning. But by then, it is often too late to make the

changes that would increase the sale price, attract the right buyer, or minimize tax liability.

Effective exit planning gives you options. It puts you in control of timing, terms, and structure. It allows you to think through critical issues such as:

- What is your business worth, and how can you increase that value?
- Would you prefer an all-cash deal, or are you open to structured payouts over time?
- How involved do you want to be after the transaction?
- What tax strategies should be in place before the sale?
- How will the sale impact your personal financial goals and retirement plans?

The right plan does not just get you out. It gets you out with confidence and control.

### **Building a Deal That Works for You**

Many business owners assume the best deal is the one that pays the most, but value is about more than just price. For example, would you accept a deal that offers 20 percent up front and 80 percent over time, with payments tied to the company's future performance under new leadership? That might feel risky.

But what if you had the option to take \$5 million today or \$3 million now and potentially \$10 million over the next five years, depending on growth milestones? Suddenly, that second offer

becomes more interesting, especially if you trust the buyer or maintain a role in the business.

That is where our planning comes in. We help business owners think through these scenarios long before a buyer is at the table. Our goal is to get you to a place where you are happy with the cash you receive at closing, regardless of any additional performance incentives. We help structure deals that give you flexibility, reduce dependency on future variables, and align with your lifestyle goals.

### **Start Planning Before You Are Ready to Exit**

Good exit planning starts years, not months, before a sale. The more time you have, the more strategic you can be in improving operations, strengthening financials, minimizing taxes, and identifying the right buyer or successor.

Whether you are thinking about a sale in the next 12 months or just starting to envision what the next chapter looks like, now is the time to begin the conversation.

### **We Are Here to Help**

At Strategic Tax Planning, our team has long helped clients prepare for and execute successful exits. We combine deep expertise in valuation strategy, tax structuring, succession planning, and deal readiness. We can help you

uncover hidden value, avoid common pitfalls, and exit on your own terms.

If you are starting to think about life after your business, even if it is just a distant idea, let's talk. The earlier you plan, the better your options will be, and the smoother the path forward.

**Contact us today to schedule a confidential consultation.**

Let us help you turn your business success into a lasting legacy.

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