

Transaction Tax Advisory

The Issue

Whether you are buying, selling, introducing new partners or investors, adding to or subtracting from an asset, or signing almost any contract, there will be a tax impact. We almost guarantee it.

What we do for you

As professional advisers, there is one thing that causes us to be concerned – it's when clients call us AFTER they have bought or sold something or signed almost any contract. We can't change the facts once action has been taken.

Various taxes come into play, and they can be significant. What was a good deal, or a good price, suddenly becomes marginal because tax was ignored. Unless your legal advisers are tax specialists, they too will not be as diligent on tax as is required. Someone needs to take steps to get the right advice at the right time.

Advice in relation to the tax impact should be sought early in the transaction. We can assist with tax advice in the following situations (not an exhaustive list):

- a. Selling, buying or exchanging an asset or part of an asset, including a part of or whole business.
- b. Introducing a new partner, shareholder or unit holder to the business. This includes mum and dad giving or selling shares to children.
- c. Setting up a new entity and moving part of your business into it.
- d. Dealing in property in any way which changes the ownership or physical nature of it.
- e. Giving away an asset.
- f. Creating, changing or giving up rights.
- g. Receiving money or something of value in exchange for something else

The Benefits

The benefits to you are:

1. The tax impact can change the way you approach a transaction for your benefit.
2. Knowing the tax impact may change the price you are willing to accept, improving your position.
3. Getting advice early means that your lawyers can draft documents appropriately. Often, when documents are changed after an initial exchange, the other party may not agree to the changes. If they are incorporate in a first draft, there may be less notice taken or resistance put up.
4. Getting tax advice early may mean that, after the transaction is completed, your business structure or arrangements are on a better footing for the benefit of all concerned.
5. You usually cannot improve your position AFTER the transaction.

What's next

Contact UHY to arrange a discussion about how we can best assist you. Connect with us and connect to possibility.