



Financial Expertise

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Solutions to Financial & Information Issues in Legal, Litigation & Tax Matters

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Kentner Sellers provides litigation consulting, valuation and expert services to help make sense of complex financial, economic and information issues. To each assignment we bring experience, credibility, objectivity and creative thinking to help the attorney and their client work towards the best strategies and information solutions.

We Can Help You With...

- ◆ **Business Sales and Acquisitions** - The mergers and acquisitions market is beginning to heat up again, especially considering the number of companies in financial distress and the number of business owners reaching retirement age. We can help prepare the necessary financial analysis to help determine the business value, perform due diligence to review the records and reports of the buyer or seller, and suggest possible options to structure the deal better for both financial and tax purposes. We recently helped a \$12 million manufacturer double its size through an acquisition of a competitor, assessing the target company, its value and operations, and the deal's bank financing and tax benefits.
- ◆ **Business Valuations for Income, Estate, Gift Tax Planning & Reporting** - Gifts, estate tax returns, probate inventory reports, estate plans, and charitable contributions are all good reasons to get a qualified business valuation analysis for any business interests involved. For all of these transactions and planning strategies, you can get by with a quick value calculation. When prepared by a qualified CPA or other business appraiser, a business valuation analysis and report that includes sufficient documentation to explain the assumptions used, any discounts applied, and conclusions reached can be important insurance against undesired challenges to the declared business values.

References

Firms with which we have recently worked with or have served as expert witnesses include, among others:

Altick & Corwin ... Huffman, Landis & Weaks
Jablinski, Folino, Roberts & Martin
Dunlevey, Mahan & Furry ... Rion & Rion
Flanagan, Lieberman, Hoffman & Swaim
Pickrel Schaeffer & Ebeling

Leveraging Your Financial Expert

- Involve the expert as early as possible in the case, as the financial expert possibly can help identify additional claims or defenses, list and limit documents and discoveries, aid in deposition questions, and case strategy.
- Tell the expert the background of the case and the parties, other experts that may be used that may impact financial issues in the case, provide copies of the complaint, relative pleadings and interrogatories, and deposition transcripts that may be relevant.
- Use the expert to explain the financial and tax considerations of the case, so both the attorney and the client have a good understanding of the issues and the possible ramifications of differing decisions, offers, strategies and courses of action.



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EXPERT ADVICE for FINANCIAL MATTERS

CPAs Experienced in Court, Tax, & Financial Issues

- ✓ Expert Witness for Financial, Valuation & Tax Matters
- ✓ Business Valuation for Divorce, Buy/Sell, Litigation, Taxes
- ✓ Damages & Lost Profits Analysis; Financial & Tax Planning
- ✓ Over 20 Years Experience Serving Area Attorneys

In the Courts

Make Sure Damage Claim is Reasonable -

In *Sihle Insurance v. Right Way Hauling* (no. 5D01-3327), the appeals court reversed an award for lost profits, finding the claimed amount to be speculative. Generally, lost profit claims include projections of losses which must be well documented by the financial expert to support the assumptions used in the loss model.



Tax Exposures for Family Limited Partnerships and Limited Liability Companies -

In *Estate of Albert Strangi v. Commissioner of Internal Revenue, T.C. Memo 2003-145*, the Tax Court ruled that

99.47% of the full date-of-death value of a family limited partnership's assets was included in Mr. Strangi's gross estate for estate tax purposes, instead of a valuation of Strangi's partnership interest. Also, U.S. Appeals on July 11, 2003 denied gift tax annual exclusions for gifts of LLC interests because those interests did not represent an immediate substantial economic benefit in *Hackl v. Commissioner*. Because of potential estate tax value discounts and the history of few prior tax court wins for the IRS in partnership and LLC valuation issues, these decisions could have far-reaching effects in your clients' estate tax planning and reporting situations. Contact us for more details of this case or a copy of the case summaries.

Find our litigation and valuation resources at
www.kentnersellers.com/expert.htm

Financial Experts

Greg Toman, CPA/ABV – Greg has provided litigation and business valuation services for more than twenty years, helping attorneys and their clients in legal and tax matters with analysis, research, investigations, negotiations, reports, and expert testimony. He is Accredited in Business Valuation by the American Institute of CPAs, and has participated in the AICPA National Business Valuation and Litigation Conferences each of the last six years.

Jon Stangel, CPA – Jon's work with family and closely held businesses gives him a special knack with business valuation, profits, and ownership matters. Jon specializes in manufacturing and construction issues, especially in financial damage claims and lost profits issues.



Valuation Solutions

Kentner Sellers delivers logical solutions to help make sense of the complex valuation issues involved with closely held businesses. With solid credentials and extensive valuation experience, we add insight into business operations, objectivity and sound judgment to help offer better quality valuation services.

Financial Expert Solutions for Litigation Matters

Kentner Sellers can help attorneys, the courts and clients make sense of the complex financial and economic issues involved in legal matters and legal agreements. We are committed to giving high quality, timely and effective litigation services. We get it done when you need it.