

Forward Looking Planning for Business Owners: Year-End Planning Checklist



As the end of the year approaches, it's time to review and assess your personal and business plans to be sure you are well-positioned for 2026.

1. Build, grow, and manage your business

- ☐ Review and update your business plan
- ☐ Review and update corporate documents
- ☐ Ensure you have adequate access to capital
- ☐ Drive value in your business by reviewing key areas:
 - Customer base
 - Vendor/goods
 - Business structure
 - Technology

2. Engage in business income tax planning

- ☐ Review with your advisors how the recently enacted One Big Beautiful Bill Act (OBBBA) may impact you and your business:
 - 20% deduction for business income remains (Section 199A)
 - 100% bonus depreciation returns
 - Deductibility of research and development expenses
 - Updated gain exclusion rules for Qualified Small Business Stock (QSBS)
 - Larger deductions for business interest



3. Ensure operational continuity

- ☐ Review and, if necessary, update management succession plan
- ☐ Identify current and next generation of key individuals critical for the current and future successful operation and growth of the business
- ☐ Consider key man insurance and employment contracts

4. Consider your business succession plans

Transition to family

- ☐ Consider recapitalization to begin shifting ownership
- ☐ Consider formalizing a family employment policy
- ☐ Consider intentional employment rotations

Transition to partners

- ☐ Review/update buy-sell provisions to ensure appropriate valuation, liquidity, and trigger mechanisms
- ☐ Review any insurance coverage to ensure appropriate funding and alignment with valuation

Third-party sale

- ☐ Consider which exit plan would be the most appealing to you as owner (private equity; sale to employees; sale to strategic buyer)
- ☐ Review with your advisors the benefits and disadvantages of each option

5. Be intentional about your future exit plan

- ☐ Engage in pre-sale planning to prepare the business structure for transition
- ☐ Take steps to drive the value of the business, pre-sale
- ☐ Work with your advisors to ensure tax efficiency
- ☐ Don't forget about your legacy plan—what will you do after the business?

Please do not hesitate to contact your advisor for assistance with any of the items listed above.

This material is for informational purposes only and is not intended as an offer or solicitation for the sale of any financial product or service. This material is not designed or intended to provide financial, tax, legal, accounting, or other professional advice since such advice always requires consideration of individual circumstances. If professional advice is needed, the services of your professional advisor should be sought. There is no assurance that any investment, financial, or estate planning strategy will be successful.

Wilmington Trust is not authorized to and does not provide legal, accounting, or tax advice. Our advice and recommendations provided to you are illustrative only and subject to the opinions and advice of your own attorney, tax advisor, or other professional advisor.

Investing involves risks and you may incur a profit or a loss. There is no assurance that any strategy will be successful. Diversification cannot ensure a profit or guarantee against a loss.

Wilmington Trust is a registered service mark used in connection with various fiduciary and non-fiduciary services offered by certain subsidiaries of M&T Bank Corporation including, but not limited to, Manufacturers & Traders Trust Company (M&T Bank), Wilmington Trust Company (WTC) operating in Delaware only, Wilmington Trust, N.A. (WTNA), Wilmington Trust Investment Advisors, Inc. (WTIA), Wilmington Funds Management Corporation (WFMC), Wilmington Trust Asset Management, LLC (WTAM) and Wilmington Trust Investment Management, LLC (WTIM). Such services include trustee, custodial, agency, investment management, and other services. International corporate and institutional services are offered through M&T Bank Corporation's international subsidiaries. Loans, credit cards, retail and business deposits, and other business and personal banking services and products are offered by M&T Bank. Member FDIC.