



## **[Glossary]**

### **Succession Planning-2**

<b>Subject:</b>	Business Economics
<b>Course:</b>	B. A. (Hons.), 6 <sup>th</sup> Semester, Undergraduate
<b>Paper No. &amp; Title:</b>	Paper – 651 Elective PaperP2 – Entrepreneurship and Family Business
<b>Unit No. &amp; Title:</b>	Unit – 5 Succession Planning
<b>Lecture No. &amp; Title:</b>	Lecture – 2 Succession Planning-2

## **Glossary**

**Asset Transfer-** A strategy used when the owner is in possession of excessive assets.

**Estate Planning-** A gain maximization strategy intended at minimizing the tax on inherited assets.

**Estate tax** - Taxes assessed by the local, state or central government upon a decedent's right to transfer property.

**Life insurance** - A contract between an owner of a policy and the insurance company stating that, for a consideration (premium), the company will pay a given sum (face value of policy) to a named beneficiary in the case of a death of the named insured.

**Succession** - A term used to describe the transfers of asset ownership through inheritance, gifting, preferential sale or other means that fulfill the wishes of the person/people with present ownership of the assets.

**Will** - A legal document directing the disposal of one's property after death.