



[Glossary]

Succession Planning-2

Subject:	Business Economics
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Unit No. & Title:	Unit – 5 Succession Planning
Lecture No. & Title:	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.