

My Business is Worth Nothing Without Me So It's Worth Nothing in a Divorce, Right?

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For many families the main source of income is from a family-owned business. Whether structured as an S-Corp or a C-Corp, whether the business is owned by shares of stock or wholly individually, every business has a value. Even if one spouse was responsible for the development of the business, or is the main rainmaker in the business, while the other stayed at home or was otherwise employed, the value of the business is usually a marital asset subject to division by the Court. Even those businesses started before the marriage may have a marital component depending on how ownership was acquired.

For a lot of families, the business may be the most significant asset so determining an accurate value is essential. The determination of the value of the business requires experts in the field of valuation who analyze the financial information associated with the business to determine a final value. That valuation process also allows for determination of potential income for the spouse controlling the day-to-day operations of the company which is important to calculations of support. Finding an attorney well versed in the valuation process to work together with an expert to conduct the valuation itself is critical when there is a business included.

For this or other family law concerns, please reach out to one of the family law attorneys at Sandberg Phoenix.