

STRATEGIES

For fast-growing companies and careers

SPLIT DECISIONS

FOUR IMPORTANT ISSUES TO CONSIDER DURING A DIVORCE



BY HABEEB
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Guest contributor

During a divorce, high net worth couples should look out for important tax issues involved with their business entities. When a high net worth couple in Texas is divorcing, important tax issues need to be examined. Divorce agreements typically contain language about how the couple will report and pay taxes leading up to and including the year of the divorce. However, tax issues associated with their business entities and the assets contained within such entities often are overlooked. The following is a sampling of important issues:

TAX INDEMNIFICATION

A person getting divorced should consider whether comprehensive tax indemnification provisions are needed related to the business entities within the marital estate. For example, if ownership interests in a business entity are transferred to one spouse in the divorce, the other spouse who will no longer be an owner in that business entity, needs to be protected. Will the spouse in control of the business entity make all the decisions regarding



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a tax audit, despite that fact that the other spouse – who is no longer an owner – may still be on the hook for pre-divorce tax years? With the passage of new tax audit rules, which can shift tax liability to other partners in the entity, this issue has become more complicated.

PARTNERSHIPS

In Texas, a popular estate planning vehicle for high-net-worth couples is the family limited partnership (FLP), which typically holds marital assets, including ownership interests in business entities, real estate or

investments. In many cases, winding down an FLP is too complicated. Selling assets from the FLP to a spouse is typically not tax efficient. Some divorcing couples decide to transfer FLP assets out of the FLP to one spouse in exchange for that spouse's ownership interest, but such a transaction can be loaded with tax implications.

CORPORATIONS

A corporation also may hold assets that a divorcing couple wishes to extract, and there are various ways a divorcing couple can remove those assets. The more sim-

ple method allows parties to use corporate distributions to extract assets, but distributions from a corporation, whether a C corporation or S corporation, can have tax implications depending on various different factors, which is why transferring assets out of a corporation can be troublesome in divorces from a tax perspective.

TRUSTS INVOLVED WITH BUSINESS ENTITIES

Many high-net-worth couples transfer ownership interests in business entities to trusts for the benefit of family members. Intentionally defective grantor trusts or IDGTs can hold ownership interests in a business entity and benefit from the cash flow and appreciation of such ownership interest. However, the grantors of the IDGT pay taxes on the IDGT's income from the business, which needs to be sorted out in a divorce.

To avoid surprises and potential disputes, it's important to stay ahead of these issues and consult with an attorney experienced in taxation and business entities.

Habeeb 'Hobbs' Gnaim is shareholder and head of the Tax Planning & Business Transactions group with Chamberlain, Hrdlicka, White, Williams & Aaghtay PC in the firm's Houston office.

#BUILDBRAND

WHY HASHTAGS ARE NECESSARY IN SOCIAL CAMPAIGNS



BY MEGAN
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Guest contributor

Hashtags can make a world of difference in your social media presence. They turn words or phrases into a clickable, searchable link across numerous platforms and have a global reach. They can connect your conversation, thought or tip with people interested in that particular topic, allowing you to reach a broader audience, create greater value and allow for better user engagement.

Below is an overview on the importance of hashtags in social media campaigns and why you should use them.

WHY HASHTAGS ARE USEFUL

Hashtags are not just a trend that needs to be adopted; they are an essential component of a content strategy. As a resource for monitoring your brand's visibility on social media platforms, the use of hashtags can help substantially increase your reach – and it's free.

With thousands of images posted every minute on social media, the hashtag makes it easy to search and follow specific topics. Implementing a spe-



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cial hashtag for your campaign can also help maximize your advertising efforts by letting audiences easily follow your content. From here, you can track your social media metrics to gauge the reach of your hashtag.

CREATING VALUE AND OBTAINING REACH

The use of hashtags has become a tool to search for products and services on social media. Similarly, hashtags can help lead a user to you. Tagging your posts with well-chosen hashtags offers users the ability

to find you easily. If a user is searching for a public relations agency in Houston, they may search #HoustonPR. If your content is tagged with that, your business becomes immediately more discoverable. This helps strengthen and expand your brand. Creative use of hashtags increases effectiveness and makes your posts more prominent, making your content exponentially more valuable.

CHOOSING THE RIGHT HASHTAGS

Growing your presence overnight isn't guaranteed, but doing your research can

help. Using a website that rates the popularity of certain hashtags, such as RiteTag, can also be beneficial. Choosing certain hashtags to maximize your impact should be strategic. There are three categories of hashtags to focus on for your social media content:

Brand specific hashtags are great because they can be unique and memorable. These are ideal for promotions, focused campaigns or events. You can also increase engagement by offering incentives such as prizes or shout-outs.

Trending hashtags are used by millions of users across a variety of platforms. When deciding to add one of these hashtags, ask yourself if it will add any value to the trending topic. If so, then use it, but know there's a chance it may get lost in a sea of posts.

Campaign hashtags are perfect for a specific ad, launch or campaign. Creating a unique hashtag can help incite user engagement, generate the momentum of organic reach and spread general awareness about your campaign.

Hashtags have been underrated in the past but are quickly proving to be necessary tools for growth and success of your business.

Megan Anderson is a social media specialist at Houston-based Page PR.

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CALENDAR

► SEPT. 17

Event: Raising Capital with Investment Crowdfunding
Presented by: Houston Black Chamber of Commerce
Time: 11:30 a.m.-1:30 p.m.
Location: Station House, 1301 Fannin, Ste. 2440
Price: Free

► SEPT. 18

Event: Networking Breakfast
Presented by: The Woodlands Chamber of Commerce
Time: 7-9 a.m.
Location: Truluck's Seafood Steak & Crab House, 1900 Hughes Landing Blvd., Ste. 600, The Woodlands, TX

► SEPT. 24

Event: Annual Port of Houston Boat Tour
Presented by: Houston Black Chamber of Commerce
Time: 6-7:30 p.m.
Location: Port of Houston

► SEPT. 27

Event: The Chamber's 2019 Annual Meeting & Awards Luncheon
Presented by: The Woodlands Chamber of Commerce

Time: 11 a.m.-1:30 p.m.

Location: The Woodlands Country Club-Palmer Course Legacy Ballroom; 100 Grand Fairway Dr., The Woodlands

Price: \$75, members; \$100, non-members; \$750, table (10)
More: tinyurl.com/y24x5ajs

► SEPT. 30

Event: 25th Annual Golf Tournament

Presented by: North Houston Association

Time: 7:30-9:30 a.m.
Location: Gleanloch Pines Golf Club, 19393 Champion Forest Dr., Spring

Price: \$300
More: tinyurl.com/yshk5e4d

► OCT. 2

Event: Give a Child a Chance Luncheon

Presented by: Collaborative for Children

Time: 11:30 a.m.-1 p.m.
Location: The Junior League of Houston, 1811 Briar Oaks Lane

Price: \$100-\$200,000
More: tinyurl.com/y6b7hou6

► OCT. 10

Event: Elected Officials Reception

Presented by: Houston Hispanic Chamber of Commerce

Time: 6-7:30 p.m.
Location: Houston City Hall, Legacy Room, 901 Bagby St.

Price: Free
More: tinyurl.com/yse9qzfw

► OCT. 12-13

Event: Bayou City Art Festival Downtown

Presented by: Art Colony Association Inc.

Time: 10 a.m.-6 p.m.
Location: Downtown Houston, 901 Bagby St.

Price: Online, \$12; at the gate, \$15 cash/\$16 credit; Children 6-12, \$5; younger than five years old, free
More: tinyurl.com/y34prtyx

► NOV. 2

Event: Annual Awards Gala

Presented by: Houston Hispanic Chamber of Commerce

Time: 6 p.m.-Midnight
Location: Hilton Americas, 1600 Lamar St.

Price: Free
More: tinyurl.com/yxvux3r

► NOV. 2

Event: 50th Anniversary Gala

Presented by: The John P. McGovern Museum of Health and Medical Science

Time: 6-10:30 p.m.
Location: River Oaks Country Club, 1600 River

Price: Free
More: tinyurl.com/y429654b

SUBMIT YOUR EVENT

Nonprofits may send items for consideration to jdarsna@bizjournals.com. For-profits can submit calendar items under the "Events" tab at HoustonBusinessJournal.com