Veterinary practice brokers focused on the financial success and growth of fellow veterinary professionals.

Visit our web site: www.TotalPracticeSolutionsGroup.com for information on practices for sale and additional services.
Hints & Tips

Save 33% in Capital Gains Tax by Selling Your Practice in 2012

What does this mean on the sale of a veterinary practice?

If you sell your veterinary practice for $1,000,000 in 2012 and 75% of the sale is allocated towards capital gain taxes you will pay $112,500 in capital gains taxes in 2012.

If we use the same $1,000,000 sale and the same allocation of capital gains of 75% you will pay $150,000 in capital gains taxes in 2013 — an additional $37,500! If the current tax rates remain unchanged, it is clear that a sale in 2012 is worth a lot more money to you than the exact same sale in 2013.

As the presidential election season heats up we are hearing more and more about what the proper amount of taxes should be on those that earn capital gains. Most of us have heard claims by Warren Buffet that he pays a lower percentage in taxes than does his secretary and that he feels capital gains should be higher.

I have no crystal ball and I have no idea whether or not capital gains taxes will be going up even further in the future, but with budget deficits up and with many Americans believing the wealthy are not paying their fair share in taxes there seems to be compelling evidence that capital gains on the sale of a veterinary practice will be even higher in 2013 and beyond.

Currently, the capital gains rates are set to increase by 33% from today’s 15% to 20% in 2013

There has never been a more favorable tax climate in which to sell your practice, but time is running out. As stated previously, if your practice is sold in 2012 you will pay less in taxes on the sale of your practice than if you do so in 2013 (unless the tax code is changed).

The purpose of this article is to clearly spell out the fact that if you are ready to sell your practice, then we should get started. The presidential election in full swing and it does not seem likely either political party will have the will or the gumption to change the tax rates in 2012.

What are the next steps you should consider?

• If your practice has not been valued recently call your local Total Practice Solutions Group Member for a no obligation initial consultation.

• Get together with your accountant and your financial advisor, and get a handle on your complete financial position.

If you wish to sell your practice in 2012 you need to start now. Even if you wish to sell in 2013 or 2014 you need to start now because depending on where your practice is located it might take a while to locate the right candidate.
Whether you are acquiring or starting a practice from scratch, Bank of America Practice Solutions can finance either type of transaction regardless of what side of the fence you are on!

At Bank of America Practice Solutions, you can rely on our industry leadership. We have performed thousands of each type of transaction, and understand the challenges that accompany them. Let us help you get the right financing. We encourage you to call the experts at Bank of America Practice Solutions to discuss. Today you decide what side is actually greener!

Practice Acquisition:
- Up to 100% financing for your practice — up to $5,000,000.
- 12-month interest-only options for lower payments initially.
- Principal reduction and early payoff options.
- Practice purchase and real estate combination loans.
- Working capital to help you with the transition.
- Terms up to 15 years.
- Access to our complimentary Practice Heartbeat® program.*

Practice Start-up:
- Up to 100% financing for everything from architectural fees to construction, to equipment and cabinetry.
- Working capital to help you get started.
- Terms up to 15 years.
- Up to 36 months of graduated payments.
- Up to 12-month rate lock through the project build-out phase.
- Demographic Site Analysis to help you select the ideal location and attract the patient base you want.†
- Access to our complimentary Practice Heartbeat® program.*

- Business debt consolidation* — Tired of having to process multiple payments all at different interest rates? Improve your cash flow with a debt consolidation loan.
- Commercial real estate* — Choose from a suite of comprehensive real estate loan options to buy, refinance, or relocate your practice. Why lease when you can buy?
- Equipment financing* — Choose from a variety of options and flexible terms tailored to meet your needs.

Want to know more?
Call our Practice Specialists at 1.800.491.3623. Mention Priority Code ADVTPS12.
You can also visit us online at www.bankofamerica.com/practicesolutions.

* All programs subject to credit approval and loan amounts are subject to creditworthiness. Some restrictions may apply. Bank of America Practice Solutions may prohibit use of an account to pay off or pay down another Bank of America account.

† Bank of America Practice Solutions engages Scott McDonald & Associates, a national marketing firm specializing in demographic research, site analysis and profit reports for health care professionals to evaluate where to locate their professional practices. Scott McDonald & Associates charges a fee for this service, which is passed on to the customer.

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For information: Contact the Total Practice Solutions Group Associate in your area of interest

Dr. Kurt Liljeberg – 800.380.6872 - kurt@tpsgsales.com
MN, WI, MI, IN, OH, Western NY, Western PA

- MN - West Central MN SA Px gross $550K. Very profitable.
- WI - West of Oshkosh. Gross $300K. Practice and RE $435K.
- WI - New! Wausau Area, SA, gross near $900K, Pxn RE price $805K.
- SW WI Under Contract! Near Iowa and MN line. Gross near $400K.
- New! Holistic practice between Milwaukee and Chicago. Excellent clientele.
- MI - North of Saginaw, SA gross $315K, Pxn and RE only $320K.
- IN - New! North Central IN Mixed Pxn gross $577K. Pxn and RE only $640K.
- IN - New! SA, gross $500K in Ft. Wayne. Pxn and real estate only $525,000.
- OH - Butler County- SA practice Gross $500K. Pxn and RE $675K.
- PA - NW PA near OH line. 2010 revenue $607K. Pxn and RE $655K!!

Dr. Dave Davenport - 816.331.9449 - dave@tpsgsales.com
MT, WY, CO, ND, SD, NE, KS, OK, IA, MO, AR

- New Listing - N.E. Orlando, Solo Dr. Located off major intersection just off I-4 in nice retail center. Owner motivated to sell.
- Northeast Florida Coastal Community - 1 Dr. Practice in a brand new 3300sq ft. office. 2011 gross ~$600K.
- Eastern Hillsborough Co. Great solo Dr. Practice. 2011 gross ~$997K. Well equipped. SOLD.
- New Listing - Eastern Panhandle 1 Dr., well established, 2011 gross ~$540K. Nice equipment. Owner Motivated! Prx $730K, RE may be purchased or leased. Virtual tour. TX133
- New Listing - What an opportunity!! Northwest of Tampa on the coast. ~6000 sq. ft. on 5 acres. Grossing ~$845K. Very well equipped.

Dr. Richard Alker - 850.814.9962 - richard@tpsgsales.com
FL

- New Listing - Chicago, IL - Small animal practice with RE, motivated seller.
- Under Contract - Ohio - SW Suburb Cleveland practice, RE & Practice 500K.
- Under Contract - Ohio - Western rural practice, grossing 300K. Buy RE & Practice.
- Coming Soon - SE Ohio - Small animal practice grossing 500K+ with RE.
- Sold - Maryland - Frederick area practice grossing 850K with excellent cash flow. Real Estate located on large acreage. Spacious upstairs apartment suitable for owner or staff.
- New Listing - Columbus, SC - Feline practice in upscale neighborhood in beautiful leased facility.
- New Listing - Columbia, SC area - Small animal practice grossing 400K+, Net 100K after debt service.

Dr. Len Jones - 334.727.2067 - len@tpsgsales.com
TX, NM, AZ, LA, MS, AL, GA, TN, FL

- New! North of Chattanooga thriving prx gross 1mil+ gorgeous facility TN185
- New! Birmingham area, excellent facility, owner motivated to sell. AL175
- New! Houston Area Gross 1.5M! 8000SF w rental option, profitable! TX171
- New! North of Houston Gross $1.1M+ $900SF facility, 3.5 acres & rental home. High quality medicine with receptive clientele. ATC $121. TX173
- NW Dallas Under Negotiations Gross $800K profitable new prx. TX172
- Central TX Prx gross $1.2M 4200SF Mon-Fri, nicely equipped. Owner Motivated! Prx $730K, RE may be purchased or leased. Virtual tour. TX133
- New! Must Sell Madison County, immaculate jump start prx. MS174
- New! NM West of Albuquerque. Gross $600K, see website for details NM188
- New! East MS, Remarkable location, newly remodeled facility. MS186
- New! Columbus GA area. Info available soon, make 2012 your year! GA187

Visit www.TotalPracticeSolutionsGroup.com to find more information on the practices listed above and additional services.