Receiving a business by succession

Pursuant to the **Law of Succession Act** with the acceptance of a succession, all rights and obligations of the bequeather transfer to the successor except those which, by their nature, are inseparably bound to the person of the bequeather or which pursuant to law do not transfer from one person to another. **If a successor accepts the succession, the business-related rights and tax liabilities of the bequeather will transfer to the successor.**

The acceptance of the estate by the successor is not subject to income tax, including the property used in business. Since a self-employed person's business is deemed to be terminated upon her/his death, there is no succession of the property used in the bequeather's business, but rather **the succession of the bequeather's personal property.**

Thus, the assets are bequeathed first. The successors now have the right to decide whether to take the inherited property used in the self-employed person’s business into personal use or continue the self-employed person’s business. It is advisable, after the termination of the succession proceedings or together with the formalisation of the succession at the notary’s, to formalise the transfer of the assets to the person who will continue the bequeather’s business.

If no income tax liability arises, the inherited business may be transferred to a company as well. The property may be transferred to a company both as a non-monetary contribution (regulated by the **Commercial Code**) and by the contract for the transfer of the assets. It is required to record the assets in the accounts of the business (money, immovables and movables, obligations, claims, etc.) according to the provisions set out in the **Accounting Act** and in the instructions of the Accounting Standards Board.

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