

March 11, 2014 /**24-7PressRelease**/ -- Dividing marital assets in divorce can be difficult and contentious. When a couple owns a business together, complications can multiply rapidly. Unlike many assets, including retirement accounts, bank accounts and other assets, business ownership can be difficult to divide or liquidate. That is in addition to the emotional ties each soon-to-be ex-spouse has towards the direction and management of the business.

Illinois is an equitable division state. That means that marital assets -- all assets accumulated during the marriage -- will be divided "fairly" by the court unless the divorcing couple can agree to a division on their own. A business started by one spouse before the marriage is not marital property. However, if the business expanded during the marriage, the other spouse may have some claim to the business. The income received from the business during the marriage is marriage property.

There are several options a divorcing couple has regarding [business ownership in divorce proceedings](#). First, however, a couple must separate legal and financial issues from emotional factors. This can be extraordinarily difficult, but maintaining a level head during this time can pay dividends in the future. There are numerous ways to ultimately resolve co-ownership of a business in divorce, and it is better for everyone involved if practical concerns take precedence over emotional reactions.

Selling or dissolving the business

It may be possible to sell or dissolve the business and divide the assets during the divorce. The benefit of this option is that each ex able to move on with their career and life after the divorce, without the need to work day-to-day with each other. For divorces that are more contentious, this may be the most realistic option, especially if the business has liquid assets or can be sold at a reasonable price.

The sale need not be to a third party. One spouse may sell his or her share of the business in return for other marital assets. Alimony, or spousal support, may play a role in this option. In return for a share of the business interest the other spouse can agree to a lump-sum payment or periodic payments while the other spouse begins a new career or furthers his or her education.

Managing a business together

Possibilities when dividing an Illinois business after divorce

Written by Australian Business

While no divorce is pleasant, it is possible to maintain a working relationship with an ex-spouse after divorce. Many divorced couples have been able to set aside differences in order to maintain a business or to provide care for children. This option is not for everyone, of course, but if the divorcing couple can manage to work together it may make the most financial sense to keep the business together.

With this option it is still important to delineate roles and responsibilities. Reorganizing the business or redefining job duties may be necessary.

Get expert help

No divorce is the same. Individual circumstances greatly determine what the best course of action is when deciding important matters in a divorce. Getting a professional valuation of the business and obtaining representation by an experienced family law attorney can help a business owner determine the best course of action regarding a business ownership in divorce.

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