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Built to Last: Policy Ideas to Preserve Businesses and Build Wealth



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A business should not disappear simply because its owner is ready to step away. Yet helping a viable company endure—whether through adaptation, an ownership transition, or a successful exit—takes more than finding someone willing to buy it. It

requires a prepared owner and business, capable buyers, affordable capital, and advisors who can bring the pieces together.

Effective policy must meet businesses across their full life cycle. This report focuses on the final stage: what it takes for a business to remain viable, preserve the wealth it has created, and outlast its founder or current owner.

6 million small and midsized businesses will face an ownership transition in the next decade.[1] Without targeted support, healthy businesses close unnecessarily, jobs disappear, and decades of locally rooted wealth are lost. Policymakers can prevent those losses by preparing owners for exit, developing a broader pool of buyers, expanding access to acquisition capital, and strengthening the networks of advisors and service providers that make successful transitions possible.

Ideas for the Next Chapter of Small Business Ownership

Beyond-stage policy must focus on ensuring that viable businesses can endure beyond the tenure of their current owners. That means strengthening the planning, advisory, market-making, and financial systems that help owners prepare for transitions, connect with capable buyers, and complete successful sales or successions. The recommendations that follow are designed to build that infrastructure and preserve the jobs, wealth, and opportunity these businesses have created.

Exit Readiness and Advisory Support

- **Exit Advisor Network:** Establish a national network of trained succession advisors by expanding the capacity of SBDCs, Women's Business Centers, and SCORE. Advisors would help business owners prepare for retirement, sale, or transfer years before an ownership transition becomes urgent.
- **Succession Planning Tax Credit:** Create a tax credit to offset the cost of developing and implementing formal succession plans. The *Small Business Succession Planning Act*, introduced by Representative Crow, would provide specialized toolkits, educational workshops, and dedicated counseling through district offices and

resource partners.[2] Encouraging owners to plan earlier increases the likelihood of successful business transfers while reducing unnecessary closures.

Acquisition and Transition Capital

- **Legacy Capital Fund:** Establish a revolving fund that provides patient, flexible capital to help employees, local entrepreneurs, cooperatives, and community development organizations acquire viable businesses at risk of closing or leaving the community, including through employee ownership conversions. As loans are repaid, funds would be recycled into future ownership transitions, preserving jobs, local ownership, and community wealth.
- **Seller Financing Tax Credit:** Offer tax incentives that encourage business owners to finance a portion of a business sale, helping buyers bridge financing gaps while expanding ownership opportunities. Seller financing can make otherwise viable acquisitions possible when traditional lending alone is insufficient.
- **Employee Ownership Contribution Incentive:** Allow small businesses to receive tax treatment comparable to employer retirement contributions when they transfer company shares into qualified employee ownership plans. This would lower the cost of expanding employee ownership while helping workers build long-term wealth.

Business Sale and Transfer Support

- **Small Business Valuation Standards:** Develop common standards for small business sale listings and transaction data. Standardized information on business characteristics, asking prices, valuations, and completed transactions would improve market transparency, make it easier for buyers and sellers to evaluate comparable businesses, and reduce information gaps that can make ownership transitions harder to complete. Any transaction data collected or reported should be appropriately anonymized and protected.
- **Main Street Continuity Fund:** Establish a federal initiative that funds state and local organizations to build regional hubs for small business transitions. These hubs

would deliver end-to-end support by connecting owners, buyers, advisors, and capital. Participating communities would identify viable businesses approaching transition, help owners prepare for sale, recruit and train prospective buyers, provide shared transaction support, and assemble financing. Bringing these services together would reduce transaction costs and help more viable businesses successfully transition to new ownership.

- **Expand Outcome-Based Metrics:** Congress should incorporate business continuity, successful ownership transitions, and job retention into SBA reporting requirements. Measuring these outcomes would encourage SBDCs, Women's Business Centers, and other SBA resource partners to provide stronger support for business succession planning and business acquisitions, rather than focusing primarily on new business creation.
- **Business Transition Advisory Network:** Reduce the cost of ownership transfers by funding partnerships with law schools, business schools, accounting programs, and nonprofit legal clinics to provide affordable valuation, legal, tax, and financial advisory services. Lower transaction costs can make more small business acquisitions financially viable.

ENDNOTES

1. Yearwood, Ken, et al. "The Great Ownership Transfer: A New Era of Business Stewardship." *McKinsey Institute for Economic Mobility,* 26 Feb. 2026. https://www.mckinsey.com/institute-for-economic-mobility/our-insights/the-great-ownership-transfer-a-new-era-of-business-stewardship#/. Accessed 17 Nov. 2026.
2. "H.R.9051 - 119th Congress (2025-2026): Small Business Succession Planning Act." *Congress.gov*, Library of Congress, 29 May 2026, https://www.congress.gov/bill/119th-congress/house-bill/9051. Accessed 17 Nov. 2026.



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