

OUR PRACTICE

Tax

Baker Donelson's tax team advises clients on the full range of individual and business tax matters. Our team of more than 60 tax lawyers counsels individuals and businesses throughout the United States.

Our tax attorneys work closely with lawyers in our firm's other practice areas to provide comprehensive representation. We advocate effectively for clients on a vast array of federal and state tax, estate planning, retirement planning and business succession planning matters, including:

Business succession planning. We advise on business succession planning, including how to plan for both voluntary and involuntary transfers of the ownership, management and/or assets of a business.

Conservation easements. Members of our team advise clients on the preservation of land throughout the southeastern United States. We provide counsel to address a wide variety of issues faced by conservation donors, including land use, pass-through entity donors, compliance with federal and state securities laws, and tax planning.

Employee benefits and executive compensation. Our lawyers counsel clients on a full range of employee benefits and executive compensation issues as well as litigation of ERISA and non-ERISA claims in all state and federal trial and appellate courts. We advise on benefit plans sponsored by many types of employers, including taxable and pass-through entities, as well as governmental, church and other tax-exempt employers. Our lawyers are familiar with issues unique to collectively bargained funds, multi-employer plans and welfare arrangements and fully insured plans.

Estate planning and probate. We work with clients to create comprehensive estate plans which reduce income and estate tax liability while addressing the specific needs of the individual client. We also counsel clients in matters of probate and trust administration, post-mortem planning, marital agreements (both prenuptial and postnuptial), guardianship and conservatorship actions for minors and incapacitated adults, and the preparation of gift and estate tax returns.

Exempt organizations and non-profits. Attorneys on our team organize non-profit entities, obtain determinations of tax-exempt status, respond to IRS information requests, prepare state and local filings for charitable solicitations and tax exemption, and advise on tax-exempt corporate governance. In addition, we assist with intermediate sanctions and private inurement issues, and provide unrelated business income analyses.

Taxation – federal, income and other. Our tax team advises clients on the full range of individual and business tax matters, including tax planning, compliance, audit preparation and appeals; ruling requests; tax credits and special incentives; employment tax classification and compliance; tax controversies; enforcement actions; international, excise and other tax matters; and litigation.

Taxation – state and local. State and local governments continue to aggressively search for new revenues through increases in or creation of income, franchise, sales and use, gross receipts, property and other taxes. Our team of state and local tax (SALT) attorneys advise clients on reducing their state and local tax burden. We also litigate SALT cases and defend clients in collection and enforcement actions.



Representative Matters

- Guided a publicly traded energy company through tax-driven corporate restructuring.
- Restructured family business corporations, LLCs and other enterprises for better income tax efficiency, succession planning, and gift and estate tax planning, including obtaining private letter rulings on preservation of S corporation status.
- Converted multiple C corporations to limited liability companies to be taxed as S corporations for federal purposes free of state franchise tax.
- Advised on nonqualified deferred compensation issues including stock options, restricted stock, phantom stock, parachute payments, Section 409A and performance-based compensation not subject to the \$1 million deduction limitation for public companies.
- Handled tax issues on numerous acquisitions and sales, both taxable and tax-free, both corporate and partnership/LLC, including hospitals, medical centers, banks, securities firms, REITs, retail chains and tech companies.
- Handled Offshore Voluntary Disclosure Process for accounts in Switzerland and a variety of other foreign jurisdictions.
- Counseled a client regarding foreign bank account reporting (FBAR) compliance requirements and participation in the IRS voluntary disclosure initiative.
- Represented a nonprofit health system in obtaining tax exempt status for seven integrated delivery system (IDS) medical foundations involving physician-controlled board governance structures, but with sufficient reserve powers in favor of the health system corporate member to maintain exempt status.
- Handled IRS Appeals-level disputes (including mediation and Fast Track) on the following issues: mark-to-market and other accounting issues, tax effects of corporate restructures, collection issues and penalties for non-payment of payroll taxes by a municipality, values for estate tax purposes, offshore residency, and allocation of condemnation proceeds between ordinary income and capital gains items.
- Advised a commercial and industrial service company and its sole owner on personal estate planning and business transition planning, including selecting the appropriate entities, creating operating agreements, handling the acquisition of a service company, preparing personal planning documents and consideration of transition plans including an ESOP, potential sale to an outside entity and sales of business interests to family members.
- Advised four-generation family-owned manufacturing business (annual sales of approximately \$30 million) with business succession planning.
- Prepared numerous limited liability companies and trusts to transition the operation and transfer the ownership of real estate, active businesses, oil and gas interests, and other assets to accomplish orderly and tax-efficient transfers to the next generation of managers and family members.
- Advised business owners with sale of their businesses with transaction values of approximately \$2 million to \$15 million.
- Advised on the preservation of corporate net operating losses, including the adoption of NOL protection plans.
- Represented client's interest in the acquisition of a retail food service franchisee.
- Represented the owners of a large-scale manufacturer in the sale of their stock to a publicly traded company for approximately \$400 million, as part of which a §338(h)(10) election (an election to treat the transaction as an asset sale for tax purposes) was made.
- Litigation of property tax valuation disputes, sales and use tax disputes, and state income tax disputes.
- Represented an executrix in litigation concerning the validity of testamentary trusts and dispositions.
- Advised various developer and finance clients on Inflation Reduction Act tax credits for energy-related projects, including qualified fuel cell projects and solar development projects.