

Extension on 100% Tax Exemption for Gain on Certain Qualified Small Business Stock

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The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (the "2010 Tax Relief Act") was enacted today. Among its provisions, the 2010 Tax Relief Act extends a tax benefit whereby gains from the sale of certain qualified small business stock ("QSBS") can qualify for a total exclusion from federal income taxation. This tax benefit was set to expire on December 31, 2010. The new law would extend the benefit to stock acquired from qualifying issuing corporations after September 27, 2010 and on or before December 31, 2011, provided certain holding and other requirements are satisfied. Under the extension, excluded amounts also will continue to not be subject to the alternative minimum tax.

For more information on qualifying for the QSBS exclusion, click [here](#) to view our original communication on this topic.

Foley Hoag is happy to provide you with more information on specific opportunities and to offer strategic advice on taking advantage of this temporary exclusion. Contact your lawyer at Foley Hoag or any of the lawyers listed here for additional information.