Vol. 2, No. 3
March 21, 2011

SUTHERLAND

SALT SHAKER

Shaking things up in state and local tax.

New Jersey Tax Court Finds "User Error" in Treatment of Extraterritorial Income

The New Jersey Tax Court sent a strong message to the New Jersey Division of Taxation that the Legislature—and not the Division—sets the bounds of state taxation. *IBM Corp. v. Dir., Div. of Taxation*, No. 011630-2008 (N.J. Tax Ct. Jan. 26, 2011). The Division issued Notices of Assessment associated with the add back of extraterritorial income deducted in the computation of federal taxable income pursuant to I.R.C. § 114(e).

The Division issued Notices of Assessment to IBM Corp. (IBM) and Crestron Electronics, Inc. (Crestron) that adjusted their income to include extraterritorial income in New Jersey taxable income. IBM and Crestron argued that New Jersey taxable income was directly linked to federal taxable income as reported on line 28 of the federal tax return—which did not include the extraterritorial income. Further, while New Jersey makes certain adjustments to the federal taxable income amount, none of the adjustments relate to the inclusion of extraterritorial income. The Tax Court held that the Division's erroneous reading of the state's taxable income definition and the Division's expansive reading of its own regulation, did not justify the Division's position.

As state tax authorities are becoming increasingly creative in their quest to find more revenue, the decision is a welcome reminder of the limits on statutory authority. Although it is unclear whether the Division of Taxation will appeal, and I.R.C. § 114 has since been repealed, those who included extraterritorial income in their New Jersey tax returns should consider filing refund claims.

Discrimination Train Has Left the Station: U.S. Supreme Court Remands Alabama Railroad Case

The U.S. Supreme Court reversed a U.S. Court of Appeals in holding that a railroad may bring suit to challenge the validity of a discriminatory Alabama sales tax exemption. *CSX Transp., Inc. v. Ala. Dep't of Revenue*, No. 09-520, 2011 WL 588790 (U.S. Feb. 22, 2011). Alabama imposes its sales and use tax on the use of diesel fuel for off-road use, including fuel used by railroads, but provides exemptions for fuel used by railroads' direct competitors, commercial truckers and interstate water carriers. CSX sued to challenge the discriminatory scheme under the Railroad Revitalization and Regulatory Reform Act of 1976 (4-R Act).

In a 7-2 decision penned by Justice Elena Kagan, the Court resolved a circuit split by holding that CSX was entitled to bring suit under a 4-R Act provision, which forbids a state to "[i]mpose another tax that discriminates against a rail carrier." 49 U.S.C. § 11501(b)(4). The lower courts had relied on a narrow reading of the Court's 1994 decision in *Dep't of Revenue of Ore. v. ACF Indus., Inc.*, 510 U.S. 332, which held that railroads could not challenge a discriminatory property tax exemption under the 4-R Act. However, the Court distinguished this case holding that, unlike property tax, sales and use tax is "another tax" within the meaning of the statute and that exemptions from sales and use tax can

continued on page 2

SUTHERLAND

Forecast

A front of bad tax proposals will pass to the east, and a merry band of spending cuts will settle in across the country.

Departments

SALT Pet of the Month 2

New Baby Joins the Sutherland SALT Family 4

California 5

Southeast 6

Policy and Legislation 7

continued from page 1

Discrimination Train Has Left the Station: U.S. Supreme Court Remands Alabama Railroad Case (cont'd)

impermissibly "discriminate" against a rail carrier. Oddly, the Court declined to revisit its holding in *ACF Industries*, resulting in a regime where discriminatory property tax exemptions cannot be challenged under the federal statute, while other discriminatory tax exemptions are subject to challenge.

CSX has won the battle but must continue the war on remand in federal district court, where CSX must now prove that the sales tax exemptions at issue discriminate against the railroads. The majority opinion was clear that it was ruling only on the jurisdiction issue—that the 4-R Act allowed the railroad to challenge the sales tax exemption in federal court—and that it was not addressing the substantive merits. In fact, the majority does not paint an optimistic picture for CSX's discrimination arguments: "[d]iscrimination cases . . . raise knotty questions about whether and when dissimilar treatment is adequately justified." Dissenting Justices Thomas and Ginsburg did not find discrimination. The next phase of this litigation should prove interesting as to the 4-R Act's breadth of protection.

Ouch! Taxpayer Seeks to Pierce Its Own Veil

An otherwise ordinary ad valorem property tax case turned interesting when a taxpayer *requested* that the Tennessee Court of Appeals "pierce the corporate veil." *Alcoa, Inc. v. Tenn. State Bd. of Equalization*, No. E2010-00001-COA-R3-CV (Tenn. Ct. App. Feb. 18, 2011). The case arose out of an ad valorem property tax assessment against Alcoa for the alumina, coke, pitch, and fluoride it used to manufacture aluminum sheets. Alcoa disputed the assessment on the grounds that these raw materials were exempt from taxation. One of the exemptions Alcoa relied upon applies to "articles manufactured from the produce of th[e] state . . . in the hands of the manufacturer." Alcoa claimed that the raw materials plus all scrap metal, potlining, and alloying metals used to create aluminum constituted exempt manufactured articles, but its claim was belied by a single stipulated fact in the case—Alcoa manufactures aluminum, but not the inputs that were manufactured by a subsidiary. The materials at issue were not manufactured in the "hands of the manufacturer" and did not qualify for the exemption.

Alcoa argued that the court *should* pierce the corporate veil and ignore the subsidiary's separate existence. Under that theory, Alcoa would be deemed the manufacturer and thus would be entitled to the property tax exemption. Alcoa argued that its subsidiary had no substance—no employees or payroll, and business decisions were made by Alcoa employees who were paid by Alcoa and who received Alcoa benefits. The court rejected this argument and held that the taxpayer cannot simply disclaim its chosen structure whenever the legal implications prove undesirable.

SALT PET OF THE MONTH

Audrey

Audrey is the delightful miniature Yorkshire Terrier of Atlanta associate Miranda Davis. Audrey joined Miranda's family when she was barely two months old, and her family cannot believe she will be 10 this year! Despite her years (and size—only 6 pounds), Audrey loves a good wrestling match and to play with her toys. But apparently not all squeaky toys are created equal—Audrey will only play with toys she is in the mood to play with, and frequently turns her nose up at toys Miranda selects for her. Audrey's other favorite activity is napping in the sun.

As you might have guessed, Audrey is not your typical lap dog. She will sit on someone's lap, but only if it is her idea. And although she is stubborn, she is even more precious—it is hard to resist her sweet face and big brown eyes. Watch out—she loves to give kisses when you aren't looking!

SALT Pet of the Month: It's Your Turn!!

In response to many requests, the Sutherland SALT practice invites you to submit your pet (or pets) as candidates for SALT Pet of the Month. Please send us a short description of why your pet is worthy of such an honor, along with a picture or two. Submissions should be directed to Andrea Christman at andrea.christman@sutherland.com.

SEC Fines Company for Failure to Collect and Remit State Sales Tax

The Securities and Exchange Commission (SEC) has demonstrated an increased scrutiny of tax accounting by issuing two fines in the last seven months. Most recently, the SEC fined a taxpayer $200,000 for failure to have the proper controls in place to ensure accurate accounting related to compliance with states' sales and use tax laws. As previously reported in the September 2010 issue of the SALT Shaker, the SEC fined a taxpayer for alleged improper accounting related to tax reserve manipulation (SALT Shaker, Vol. 1, No. 9).

The SEC found that Hudson Highland Group, Inc. (Hudson) lacked the proper internal controls to collect and remit $3.9 million of state and local sales tax. The SEC determined that the failure was due to the company lacking accounting software capable of properly calculating the amounts of sales tax owed. Although Hudson, a New York-based staffing services company, identified its sales and use tax issue on its own and took steps to correct the problem, the SEC fined the company for the periods during which the company's books and records failed to accurately reflect Hudson's sales tax liabilities.

With the expansion of many states' sales and use taxes, this action should act as a wake-up call for companies that have little exposure to state and local sales taxes. Where historically taxpayers who identified sales and use tax liabilities on their own were able to approach a state and voluntarily comply with the tax laws (often with a penalty waiver), now those very same taxpayers could face an SEC action for their failure to proactively identify and manage their state and local sales and use tax liability.

Kimberly-Clark Gets No "Huggies" from Massachusetts Appellate Tax Board

Taxpayers have just begun to struggle with the application of states' related party addback provisions. On January 31, 2011, the Massachusetts Appellate Tax Board (ATB) issued its decision in the first Massachusetts case that addressed the application of the related party addback provision to an intercompany interest and royalty expense. *Kimberly-Clark Corp. et al. v. Comm'r of Revenue*, Mass. App. Tax Bd., Dkt. No. C282754 (Jan. 31, 2011). In *Kimberly-Clark*, the ATB addressed the deductibility of interest expense related to the company's cash management system and royalties related to intellectual property.

The Massachusetts Department of Revenue (Department) assessed the taxpayer based on a denial of the interest expense deduction for pre-addback and addback tax years. The ATB upheld the Department's denial of the expense deduction because it determined that, based on the preponderance of the evidence, the taxpayer's cash management system loans did not constitute bona fide debt. The ATB determined that the loans were not debt because the taxpayer had no expectation that the cash advances would be repaid, and there were no security, default, or collateral provisions.

In extraneous language in the decision, the ATB went on to analyze the cash management loans pursuant to the state's related party addback regime. This analysis is superfluous because the ATB determined that the cash management loans were not bona fide debt. If the loans are not bona fide debt, the related party addback provision does not apply. Therefore, it was unnecessary for the ATB to analyze the application of the related party addback provision to the cash management loans once it had determined that the loans did not constitute bona fide debt. In addition, the ATB speculated that the "clear and convincing evidence" standard is the proper standard for analyzing the related party addback provisions, instead of the lower "preponderance of the evidence" standard, even though the related party addback provision does not ultimately apply to the cash management loans.

Regarding the royalty expense, the ATB upheld the Department's determination that a rebate program during the 2003 tax year was an embedded royalty that represented payment for the use of certain patents. The ATB analyzed whether the taxpayer satisfied its burden of demonstrating its qualification for the "unreasonable exception" from the related party addback provision. The Department issued a regulation regarding the qualification for the unreasonable exception, which provides that in order for a taxpayer to qualify for the exception it must prove that the expense resulted from "a transaction (1) that was primarily entered into for a valid business purpose (tax avoidance cannot be a principal purpose for the transaction) and (2) that is supported by economic substance." 830 CMR 63.31.1. The ATB determined that the circular flow of the funds between the entities, the absence of negotiated third-party license agreements, inconsistent treatment of the intangibles, and the specific recognition of the significant tax savings surrounding the overall transaction supported a determination that the taxpayer did not meet its burden of proving by clear and convincing evidence that it qualified for the unreasonable exception from the related party addback provision.

The ATB's initial decision on the related party addback provisions illustrates the intense scrutiny that such intercompany transactions will receive when a taxpayer attempts to qualify for an exception to the addback. Taxpayers seeking a successful appeal will have to run though a "clear and convincing" gauntlet to prove that the transactions had a valid business purpose and economic substance.

Unclaimed Property… Nevada is Betting on a Sure Thing

Sin City, Lost Wages, Glitter Gulch, or just plain old Las Vegas. What immediately comes to mind? Probably not unclaimed property. But the state of Nevada has finally discovered a way to add insult to injury by requiring unclaimed property holders (e.g., casinos) to remit uncashed "wagering instruments."

On March 1, 2011, the Nevada Legislature introduced Assembly Bill No. 219. This bill, if passed, would add the following property type and dormancy period to the state's unclaimed property law reporting and remittance requirements:

> Any wagering instrument, 1 year after the wager is placed, unless the Nevada Gaming Commission specifies by regulation a different period in which the wagering instrument must be redeemed is presumed abandoned.

What is a wagering instrument? Under Nevada law, a wagering instrument is "a representative of value, other than a chip or token, that is issued by a licensee and approved by the board for use in a cashless wagering system." Nev. Rev. Stat. Ann. § 463.01967.

Under the proposed legislation, wagering instruments (including cards issued by casinos that operate like debit cards) are reportable after one year of inactivity. Imagine reporting all of those "free" buffets. (The value of the buffets and other "rewards" on the card arguably would be deemed reportable since "wagering instrument" is "representative of value other than by chip or token.")

It is the casino's responsibility to try to contact the gambler before the dormancy period expires. To do so, the casino would need to obtain the gambler's name and address information. Arguably, the casino has the information on the player's card, but what about those slips of paper that a player never redeems? If a casino does not track and maintain owner information under the unclaimed property law, the unredeemed "wagering instrument" and the accompanying funds must be remitted to the casino's state of incorporation.

You're Not Fired! Tax Injunction Act Does Not Bar Federal Court Review of Blagojevich-Era Legislation

It appears that the state tax world is not immune to the scandal involving former Illinois Governor Rod Blagojevich. On March 2, 2011, the U.S. Court of Appeals for the Seventh Circuit issued its ruling in *Empress Casino Joliet Corp. v. Blagojevich*, Nos. 09-3975 and 10-1019 (7th Cir. 2011), holding that the Tax Injunction Act (TIA) does not bar four riverboat casinos from challenging casino surcharges paid into the Illinois Horse Racing Equity Trust Fund because such payments were fees rather than taxes and not subject to the TIA. Signed into law by Blagojevich in 2006, the casino surcharge amended the Riverboat Gambling Act, imposing an additional 3% surcharge upon the four most profitable riverboat casinos in the state. The monies, collected into a segregated fund, were paid directly to horse-racing tracks in the state. The primary legislative purpose was to save the state's flagging horse-racing industry, but benefits were also expected to indirectly inure to the general public. After unsuccessfully challenging the legality of the casino surcharge in various state courts, the casinos went to federal court to challenge the surcharge as part of an illegal pay-to-play scheme. The state contended that the TIA precluded the federal court from hearing the matter.

The primary issue related to the TIA was whether the casino surcharge was a tax or a fee. The TIA only applies to taxes: "district courts shall not enjoin, suspend or restrain the assessment, levy or collection of any *tax* under State law where a plain, speedy and efficient remedy may be had in the courts of such State." The Seventh Circuit found that the casino surcharge bears *none* of the characteristics of a tax. The court considered the ultimate use of the surcharge: it is not imposed for the purpose of raising revenue for government programs, but rather to protect horse-racing tracks from competition from riverboat casinos. The court noted that the enacting legislation does not refer to the surcharge as a tax, and there are other provisions in the Riverboat Gambling Act that tax riverboat casinos for the benefit of the general public. In particularly blunt language, the court described the surcharge as an "involuntary transfer of property from one private owner to another." The surcharges are paid into a segregated account, not the general revenue fund, and no state agency or program may use the money. Moreover, the Seventh Circuit stated that the secondary legislative purpose—to indirectly benefit the general public—is insufficient by itself to transform the surcharge into a tax. Finally, the court gave weight to the fact that the surcharge was enacted pursuant to the Legislature's police power and not its power to tax.

Taxpayers seeking to avoid the TIA should consider the Seventh Circuit's analysis.

NEW BABY JOINS THE SUTHERLAND SALT FAMILY

We are excited to introduce you to the youngest member of Sutherland's SALT family, Addison Iana Mobley. Addison was born to proud parents, Maria Todorova and Jon Mobley, on February 25. Addison appears to have inherited her mom's passion for travel—she is already an avid watcher of the Travel Channel—but has yet to develop an appreciation for her mom's singing. Congratulations, Maria and Jon!

CALIFORNIA

Last Call – New Tax Bills in Play As Last Day to Introduce California Legislation Passes

With the last day for introduction of California legislation ending on February 18, a number of significant bills that could potentially affect California businesses snuck into the fray.

The new tax bills include legislation that provides for "clawbacks" and sunsets of tax incentive legislation, disclosure of some recipients of tax incentives, and the ability of local governments to impose personal and corporate income taxes. SB 364 (Yee) requires any new business tax incentive legislation to provide for the incentive's recapture if the claimant incurs a net employment reduction. A net employment reduction is determined by comparing the average number of full-time employees over the prior three years and the number of employees in the current taxable year. SB 508 (Wolk) requires all new tax credit legislation to contain performance metrics and to sunset seven years from the date of enactment. AB 318 (Skinner) requires all publicly traded corporations that claim tax incentives to be named along with the claimed amount and posted on a searchable database on the Internet. Because the bills require a mere majority vote of both houses of the Legislature, there is a strong possibility that these bills will be enacted.

With respect to local governments, SB 653 (Steinberg) provides counties with broad latitude to enact additional taxes. Specifically, it authorizes the board of supervisors of any county to place any type of tax on its local ballot, including but not limited to personal and corporate income taxes and local sales and use taxes. While California cities have local sales and use taxes, no California localities impose income taxes. Thus, the threat of expansion of California income taxes to localities (California has 58 counties and hundreds of cities) poses potentially significant administrative and tax costs to California businesses and residents. Because this bill authorizes taxes for a subsequent public vote, it requires a mere majority of both houses of the Legislature for passage.

Apart from the tax bills introduced in the regular legislative process, the Governor has proposed a variety of tax measures for inclusion in the California budget, including: (1) a five-year extension of increases to the personal income tax, sales tax, and vehicle license fee; (2) a mandatory single sales factor apportionment formula combined with mandatory market sourcing of sales of intangibles and services; (3) the retroactive elimination of enterprise zones; and (4) a tax shelter amnesty. While California budget negotiations remain ongoing, it is unclear whether Republicans will contribute to the 2/3 supermajority needed to pass the Governor's tax proposals. In California, a 2/3 vote is needed for any increases in state taxes, while a mere majority vote is required for budget appropriations. For now, it appears that limitations on new tax incentives, locality tax expansion, and a number of other items, including nexus expansion and the Governor's tax proposals, remain the subject of debate.

Recently Seen and Heard

February 22-24, 2011
TEI 2011 IRS Audits & Appeals Seminar: Tax Controversies in a Post-Schedule UTP World
Hyatt Regency Orlando International Airport – Orlando, FL
Marc Simonetti and **Pilar Mata** on State Tax Consequences of Federal Tax Controversies

February 28, 2011
National Association of Recording Merchandisers Entertainment & Technology Law Conference Series
New York, NY
Steve Kranz on Digital Sales and Use Taxes: Are State and Local Governments Overreaching By Taxing Digital "Goods" and Cloud Media Services?

February 28, 2011
TEI Houston Chapter 23rd Annual Tax School
Hyatt Regency – Houston, TX
Marc Simonetti and **Eric Tresh** on States' Ability to Adjust Income and Expenses

March 6-9, 2011
UPPO Annual Conference
Grand Hyatt – San Antonio, TX
Marlys Bergstrom on Unclaimed Property Developments within the Insurance Industry
Diann Smith on Federal Preemption: When Do Federal Laws Trump the States?

March 6-9, 2011
COST Sales Tax Conference
Atlanta, GA
Steve Kranz on Taxing Software, Digital Goods, Outsourcing to the Cloud

California Court of Appeal Switcheroo: Software Constitutes Technology Transfer Agreement

The California Court of Appeal held that receipts from Nortel's license of computer programs used to operate a telephone company's switch hardware were not subject to sales tax. *Nortel Networks, Inc. v. State Board of Equalization*, Case No. B213415 (2d App. Dist. Jan. 18, 2011). The court also partially invalidated Regulation 1507 on the grounds that the State Board of Equalization (SBE) had exceeded its authority when it enacted the regulation.

The Court of Appeal's decision provides guidance regarding the scope of exempt Technology Transfer Agreements (TTA), which are defined as "any agreement under which a person who holds a patent or copyright interest assigns or licenses to another person the right to make and sell a product or to use a process that is subject to the patent or copyright." Cal. Rev. & Tax. Code § 6011(c)(10)(D); 6012(c)(10)(D). Under California law, amounts charged for intangible property transferred with tangible personal property under a TTA are exempt from sales tax if the TTA separately states a reasonable price for the tangible personal property. When enacting the TTA statutes, the SBE warned the Legislature that the language covering licenses to "use a process" could include the right to use a computer program. Despite the SBE's concerns and objections, the Legislature enacted the TTA statute. To remedy the perceived flaw, the SBE enacted a regulation specifically excluding "agreements for the transfer of prewritten software" from the definition of a TTA. *See* Cal. Reg. 1502(a)(1).

Nortel shipped switch-specific programs (SSPs) and prewritten software programs to its telephone company customer on disks, magnetic tapes, or cartridges. The license agreement authorized the telephone company to copy the programs and use them to operate telephone switches. The SBE took the position that Nortel's license agreement was not a TTA because a TTA must grant the licensee the right to sell a product, and telephone service did not constitute a product. The Court of Appeal disagreed, finding that telephone service was a product, and held that even if it was not, the agreements permitted the telephone company to use a process, which was also encompassed by the TTA statute. The court rejected the SBE's attempt to exclude agreements involving prewritten software from the definition of a TTA, holding that the regulation contained no such limitation and was therefore invalid.

Nortel provides some needed clarity regarding the taxability of certain intangible property rights in California and highlights the limitations of any state agency's discretionary authority.

SOUTHEAST

Get Out Your Dustpan: Georgia Bill Proposes Sweeping Tax Reform

Proposing to significantly overhaul Georgia's tax code, including an interesting attempt to eliminate sales tax exemptions for "Holy Bibles" and Girl Scout Cookies, H.B. 385 was introduced on February 24. The 127-page bill is intended to be revenue neutral and largely mirrors the recommendations of the Special Council on Tax Reform and Fairness for Georgians (the Council) (see Sutherland Legal Alert, January 10, 2011 for detailed coverage of the Council's report). H.B. 385 would eliminate most sales tax exemptions and subject certain services to tax, reduce or eliminate most income tax credits and personal deductions, phase in lower personal and corporate income tax rates, and implement a communications services tax. The bill, introduced by the Special Joint Committee on Georgia Revenue Structure (the Committee), is expected to be amended while still in Committee, but will then require an up or down vote when introduced to both houses of the Legislature.

The bill would dramatically alter the sales tax landscape by eliminating over time the majority of the existing 110 exemptions. In a step that could raise political hurdles for the enactment of the bill, exemptions on the chopping block include everything from sales of groceries, Holy Bibles, church steeple bells, school lunches and Girl Scout Cookies (No! Don't tax my Thin Mints!). The sales tax base would be expanded to include software and digital goods and a variety of household and automotive services. The bill follows through on the Council's stated purpose of reducing taxes on business inputs by retaining input exemptions for the agricultural and manufacturing industries, while additionally exempting energy used in manufacturing. Revenue raised from the expansion of the sales tax base presumably offsets the reduction in the corporate and personal income tax rates from 6% to 4%, to be phased in by 2014.

H.B. 385 proposes to exempt all communications services from the sales tax and, instead, impose a new statewide Communications Services Tax (CST). The CST would be imposed on all telecommunications, ancillary services, and video programming services.

POLICY AND LEGISLATION

Bounty Hunters Gone Wild! States Turn to Controversial Contingent-Fee Auditors

Several states are turning to contingent-fee audit contractors, sometimes referred to as "bounty hunters," as a means of increasing corporate income tax collections. Bounty hunter firms are compensated based on the tax assessed, thus encouraging these firms to aggressively assess taxpayers.

Not surprisingly, contingent-fee-based auditors are supporting legislation in several states that would *require* state tax agencies to enter into contingent-fee audit contracts. Contingent-fee audits are viewed by corporate taxpayers (and some courts) as unfair, hostile, and bad public policy because the auditors have a financial stake in the outcome of the audit. Washington, D.C., New Jersey, Kentucky, Louisiana, and Alabama have entered into contracts with a bounty hunter firm resulting in assessments that can reach $200 million. These assessments are based on "transfer pricing" audits that ignore a taxpayer's tax return and instead focus on estimating a taxpayer's income attributable to a jurisdiction by examining financial statements and other publicly available data. These assessments are being challenged in Washington, D.C.

Legislation has recently been introduced in Minnesota (House File 174, House File 904, and Senate File 740) that would require the state to issue a request for proposal to engage bounty hunter firms generally (HF 174) and transfer pricing audit firms specifically (HF 904/SF 740). Similar legislation was also introduced in Indiana (Senate Bill 589) and Hawaii (Senate Bill 756). The trend to allow for contingent-fee audits could spread given the support by private audit firms coupled with state budget pressures to downsize government agencies and the pressure to raise needed tax revenue.

In response to this disturbing trend, Sutherland is organizing a coalition of corporations aimed at fending off these efforts. This coalition will engage in traditional advocacy efforts, education of state tax departments, and efforts to influence procurement processes. An organizational meeting was held on March 9, but if any companies wish to engage in this important initiative, please contact a member of the Sutherland SALT team.

Come See Us

March 22-23, 2011
ABA/IPT Advanced Sales/Use Tax Seminar
The Ritz-Carlton – New Orleans, LA
Steve Kranz on Jeopardy Assessments and Taxpayers' Rights Advocates

April 3-6, 2011
TEI Midyear Conference
Grand Hyatt – Washington, DC
Jeff Friedman on Waive or Walk: Considerations for Extending the Statute of Limitations
Marc Simonetti on Audits Gone Awry

April 20-21, 2011
TEI Minnesota Chapter 28th Annual President's Seminar
Minneapolis Convention Center – Minneapolis, MN
Steve Kranz on Sales Tax in a Virtual Economy

April 27, 2011
New York State Bar Association 15th Annual New York State and City Tax Institute
Concierge Conference Center – New York, NY
Marc Simonetti on Disclosure Developments

May 2, 2011
TEI Houston Chapter 23rd Annual Tax School
Hyatt Regency – Houston, TX
Jeff Friedman on Combined Reporting

May 9, 2011
Tax Foundation State and Local Tax Training: Tax Laws and Lobbying for Businesses and Associations
Mayflower Hotel – Washington, DC
Steve Kranz on Current Affairs in Tax Lobbying

May 18-19, 2011
Georgetown Law CLE 34th Annual Advanced State and Local Tax Institute
Georgetown University Law Center – Washington, DC
Diann Smith on Transparency of State Tax Administration

May 19-20, 2011
Florida Bar Sate and Local Tax Conference
Orlando, FL
Steve Kranz on Nexus – Update on Recent Developments: Current Standards, Emerging Trends and Significant New Legislation

May 24-26, 2011
Telestrategies Communications Taxation 2011
Steve Kranz on Tax Treatment of Digital Content

The Sutherland SALT Team

Michele Borens
202.383.0936
michele.borens@sutherland.com

Jeffrey A. Friedman
202.383.0718
jeff.friedman@sutherland.com

Stephen P. Kranz
202.383.0267
steve.kranz@sutherland.com

Marc A. Simonetti
212.389.5015
marc.simonetti@sutherland.com

Eric S. Tresh
404.853.8579
eric.tresh@sutherland.com

W. Scott Wright
404.853.8374
scott.wright@sutherland.com

Jonathan A. Feldman
404.853.8189
jonathan.feldman@sutherland.com

Pilar Mata
202.383.0116
pilar.mata@sutherland.com

Michele L. Pielsticker
916.498.3311
michele.pielsticker@sutherland.com

Diann L. Smith
202.383.0884
diann.smith@sutherland.com

Marlys A. Bergstrom
404.853.8177
marlys.bergstrom@sutherland.com

Andrew D. Appleby
212.389.5042
andrew.appleby@sutherland.com

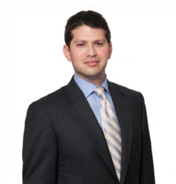
Zachary T. Atkins
404.853.8312
zachary.atkins@sutherland.com

Madison J. Barnett
404.853.8191
madison.barnett@sutherland.com

Michael L. Colavito Jr.
202.383.0870
mike.colavito@sutherland.com

Miranda K. Davis
404.853.8242
miranda.davis@sutherland.com

Maria P. Eberle
212.389.5054
maria.eberle@sutherland.com


Seth A. Fersko
212.389.5049
seth.fersko@sutherland.com

Lisbeth A. Freeman
202.383.0251
beth.freeman@sutherland.com

Charles C. Kearns
202.383.0864
charlie.kearns@sutherland.com

Jessica L. Kerner
212.389.5009
jessica.kerner@sutherland.com

David A. Pope
212.389.5048
david.pope@sutherland.com

Melissa J. Smith
202.383.0840
melissa.smith@sutherland.com

Maria M. Todorova
404.853.8214
maria.todorova@sutherland.com

Mark W. Yopp
212.389.5028
mark.yopp@sutherland.com