bodman

Tax

protect your assets

The days of bartering goods and services with the government have long passed, and with them the era of simple tax laws. The intricacies of today's taxation system demand specialists who spend their days cracking the IRS code.

Bodman tax specialists counsel clients directly and assist other attorneys in providing complete legal services. Tax considerations have become so pervasive in business transactions that interaction between our Tax Practice Group and other practice groups is a way of life.

Our extensive resources allow us to serve our clients' tax-planning and representation needs with an integrated team of attorneys with experience in federal, state, and local tax matters. We assist C corporations, S corporations, general partnerships, limited partnerships, limited liability companies, limited liability partnerships, foundations, trusts, and individuals.

In addition to corporate tax work, we have long represented tax-exempt organizations, including churches and other religious institutions, hospitals, educational and charitable organizations, and grantmaking foundations. We counsel tax-exempt organizations on general tax planning and compliance matters as well as general business transaction and management issues, allowing the nonprofits to focus on their mission: providing charitable, educational, cultural, medical and civic services to those who need them most.

Our attorneys who focus on retirement, executive compensation, and employee health, welfare and fringe benefits take a multidisciplinary approach to assisting clients with their employee benefit and executive compensation needs by focusing on achieving client goals. We represent both employers and providers and focus on delivering unparalleled advice and support to those clients with maximum efficiency.

SERVICES

Our Tax Practice Group provides the following services:

DOMESTIC AND INTERNATIONAL CORPORATE TAX

The Bodman Tax Practice Group has extensive experience in all aspects of corporate tax, both in the United States and internationally, including:

- **Acquisitions (taxable and non-taxable)**
- **Separations**
- **Redemptions and liquidations**
- **Recapitalizations**
- **C corporation tax planning**
- **S corporation tax planning**
- **Formation and structure**
- **Use of disregarded entities**
- **Consolidated tax returns**
- **International tax planning including cross border issues**
- **IRS and state tax litigation at all levels**
- **Corporate bankruptcy**
- **Personal holding companies**
- **Accounting issues**
- **Private letter ruling requests**

PARTNERSHIPS AND LLCS

Our attorneys have extensive experience in all areas of partnership and limited liability company law and tax practice, including:

- **Formation, operations and liquidation of partnerships and LLCs**
- **Operating Agreements**
- **Special allocations**
- **Ownership and transfer of property**
- **Sales of entity interests**
- **LLC business structures and groups of entities**
- **Combinations and divisions of entities**
- **Tax return issues**

TAX-EXEMPT AND CHARITABLE ORGANIZATIONS

We have significant experience in all aspects of tax-exempt and charitable organizations tax matters, including:

- **Private foundations**
- **Public charities**
- **Community foundations**
- **Professional and trade associations**
- **Art and cultural institutions**
- **Hospitals and healthcare organizations**

- **Colleges and secondary schools**
- **Social and civic groups**
- **Religious organizations**
- **Obtaining and maintaining tax-exempt status**
- **Corporate governance**
- **Director and officer liability**
- **Unrelated business taxable income**
- **Excess business holdings**
- **Intermediate sanctions**
- **Grantmaking (domestic and international)**
- **Advocacy and lobbying activities**
- **Dissolution and liquidation**
- **Tax return issues**

STATE AND LOCAL TAX

Our tax attorneys have significant experience in all aspects of state and local taxation, including:

- **Michigan Corporate Income Tax**
- **Sales and use tax**
- **Income tax**
- **Real property tax**
- **Personal property tax**

ESTATE AND GIFT TAX

The Bodman Tax Practice Group has extensive experience in all aspects of estate and gift tax planning, including:

- **Estate planning**
- **Estate administration**
- **Probate**
- **Lifetime gifting**
- **GRATs**
- **Family LLCs**
- **Trust disputes**
- **Charitable trusts (CLATs, CLUTs, CRATs, CRUTs) and other charitable gifting**

TAX LITIGATION

The Bodman Tax Practice Group litigates federal, state and local tax disputes before all applicable courts and administrative agencies, including:

- **United States Tax Court**
- **Michigan Tax Tribunal**
- **Internal Revenue Service administrative matters**

- **Michigan Department of Treasury administrative matters**
- **Federal, state and local appellate courts**

TAX CREDIT TRANSACTIONS AND LIKE-KIND EXCHANGES

Bodman tax attorneys structure tax credit and like-kind exchange transactions, including:

- **Federal low-income housing credits**
- **Federal and State historic rehabilitation tax credits**
- **New Markets tax credits**
- **Brownfield redevelopment tax credits**

EMPLOYEE BENEFITS AND EXECUTIVE COMPENSATION

The Bodman Tax Practice Group has extensive experience in assisting clients with their employee benefit and executive compensation needs, including:

- **All aspects of section 401(k), pension, cash balance, profit-sharing, ESOP, and stock bonus plans**
- **Compliance and corrections programs with the Internal Revenue Service and Department of Labor**
- **Negotiating, drafting and implementing deferred compensation and equity compensation arrangements**
- **ERISA compliance for health and welfare arrangements**
- **Tax aspects of ACA including Code Section 4980H compliance and reporting**
- **HIPAA privacy and compliance**
- **Benefits issues arising in the transactional context**
- **Advice to borrowers and lenders on employee benefit and executive compensation aspects of loans**

REPRESENTATIVE MATTERS

Representative matters include:

- **Like-Kind Exchange Treatment for Real and Personal Property**

  Numerous clients have hired us to structure real and personal property transactions to achieve like-kind exchange tax treatment.

- **Private Foundations and Charities Obtain Tax-Exempt Status**

  We have helped many private foundations and public charities obtain and maintain tax-exempt status and minimize unrelated business taxable income.

- **Financial Institution Obtains State and Federal Tax Credits/Tax Incentives**

  We represented a large financial institution in structuring transactions to obtain federal low-income housing tax credits (LIHTC), federal rehabilitation tax credits, federal geothermal tax credits, Michigan Business Tax credits and state Brownfield tax credits.

- **Concrete Manufacturing Company Sells Business, Sets Up Structure to Optimize Tax Consequences**

  A concrete manufacturing company turned to us to structure the sale of its business to obtain optimum state and federal tax consequences.

- **Mortgage Lender Negotiates with IRS to Obtain Significant Income Tax Refunds**

  We represented a mortgage lending/servicing operation in negotiations with the Internal Revenue Service to obtain significant income tax refunds.

- **Private Foundation Forms a P3 to Donate $50 Million Grant to the Detroit Riverfront Conservancy**

  Bodman tax specialists helped a private foundation form a public/private partnership that provided a $50 million grant to the Detroit Riverfront Conservancy.

- **Non-Profit Partners with a P3 to Create a National After-School Program for Inner City Kids**

  We also assisted a nonprofit in its involvement with a public/private partnership that partnered with the U.S. Department of Education to create a national after-school program benefiting inner-city children.

- **Private Foundation Works with Land Conservancy to Help Protect Sand Dunes and Wetlands Along Lake Michigan**

  We helped a private foundation and the Grand Traverse Regional Land Conservancy complete the first phase of the acquisition of more than 6,000 acres of sensitive dune and wetlands property with nearly two miles of Lake Michigan frontage, with conservation easements granted to the Michigan Land Trust.

- **Public Charity Undergoes Inquiry by U.S. Senate Finance Committee**

  We represented a public charity in an inquiry initiated by the United States Senate Finance Committee.

- **Detroit's Broderick Tower Comes Back to Life**

  We represented a Federal Historic Rehabilitation Tax Credit investor in connection with the renovation of the 34-story David Broderick Tower in downtown Detroit. The once-vacant tower is now fully renovated and includes apartment, restaurants, and office space.

- **Lansing's Landmark Building Gets a Second Chance**

  We represented a Federal Historic Rehabilitation Tax Credit and New Markets Tax Credit investor in connection with the renovation of the J.W. Knapp Building in Lansing, Michigan. The $36-million project transformed the historic structure which now includes a high-end restaurant, residential units, and office space.

- **Fortune 500 Manufacturer Obtains Brownfield Redevelopment Credits for Corporate Headquarters**

  We have obtained millions of dollars in brownfield redevelopment tax credits for properties throughout Michigan, including the corporate headquarters of a Fortune 500 manufacturer in Southfield.

- **Major League Sports Team Obtains Brownfield Redevelopment Credits for Stadium Complex in Detroit**

  We have obtained brownfield redevelopment tax credits for a major-league sports stadium complex in Detroit.

- **First MEDC and MEGA Credits Obtained for "functionally obsolete" Commercial Property**

  We obtained the first tax credit incentives approved by the Michigan Economic Development Corporation and the Michigan Economic Growth Authority for the redevelopment of a "functionally obsolete" commercial property that had been the site of a regional shopping mall.

- **Battery Supplier Obtains $3.2 Million in State Tax Credits for Redevelopment of a Facility in Northville, Michigan**

  We assisted a high-tech supplier to the lithium-ion battery industry in obtaining $3.2 million in state tax credits for the redevelopment of an abandoned facility in Northville, Michigan into its North American headquarters.

- **State and City Give Company $4 Million in Tax Incentives for Establishment of Food Safety and Nutritional Chemistry Labs**

  We obtained more than $4 million in combined tax credits from the State of Michigan and City of Battle Creek in connection with our client's establishment of a new nutritional chemistry and food safety laboratory.