

State & Local Tax Transactions

Informed Guidance

Understanding overly complicated state and local tax laws goes beyond the fundamentals. At Kilpatrick Townsend, our attorneys provide transactional and technical advice to businesses seeking to comply with often unclear state tax laws and vague administrative guidance. We advise buyers and sellers on the state and local tax aspects of complex transactions, including whether transactions are subject to sales tax and real property transfer tax, and we provide due diligence to buyers to ensure that no hidden state tax landmines accompany the purchase. Upon request, we consider the go-forward implications of transactions for acquirers. For businesses expanding or creating a footprint in a state, we work to obtain statutory and discretionary state and local tax incentives and benefits. Our representation of sellers includes determining how to source transaction proceeds for sales tax and corporate income tax purposes and ascertaining whether gain from a sale is apportionable or allocable for state corporate income tax purposes.

Experience

Assisted a Fortune 100 company in determining whether gain from the sale of a discrete business line was apportionable or allocable income in a significant number of states.

Obtained voluntary disclosure agreements in over 20 states for the seller of a business.

Obtained a favorable Virginia income apportionment ruling for a financial institution.

Advised taxpayers on sales tax issues relating to purchases of aircraft, artwork, and other valuable assets.

Obtained a favorable New York advisory opinion, concluding taxpayer's service were not subject to New York sales tax.

Obtained voluntary disclosure agreements for several companies through the Multistate Tax Commission's National Nexus Program.

Performed a nexus review for a technology company and obtained voluntary disclosure agreements in various states.

Advised taxpayer on the extent to which online services are subject to sales tax in various states.

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