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Tax Law

A successful family business owner is approached by a publicly traded company as a potential target and must consider the tax consequences of selling his business and how to structure the sale for maximum tax advantage.

The executor of an estate needs representation in Tax Court with respect to an estate tax deficiency based on the valuation of properties listed on the estate tax return and the disallowance of a portion of the marital deduction.

A public charity putting together a compensation package for a valuable key executive wants to avoid running afoul of the excess benefit transaction rules while deferring the executive's income tax liability.

A couple, planning both for the succession of the family business and the creation of a private foundation, needs information regarding potential tax benefits and pitfalls.

The statutes and regulations that make up our tax law are among the most complex and far-reaching laws in our land, and their consequences impact upon every part of our economy. From the structure of an acquisition between Fortune 100 corporations to the individual planning the disposition of his estate, the thousands of statutory and regulatory provisions constituting our tax law directly affect the structure of every financial transaction. The experienced, knowledgeable attorneys of Farrell Fritz understand the importance of strategic, thorough tax planning. While nearly constant changes in the law provide an ongoing challenge, our tax department continually monitors changes in the tax law in order to better serve our clients.

Accomplishing your strategic goals

It is crucial to have experienced practical tax attorneys analyzing the tax consequences of any contemplated transaction. At Farrell Fritz, our tax attorneys have the experience and the knowledge necessary to apply innovative strategies to transactions in order to achieve our clients' business and personal objectives. Our tax attorneys work with attorneys from our corporate, real estate, banking, litigation, bankruptcy and trust and estate departments to form a cohesive, multidisciplinary team that can develop and implement effective legal and business solutions.

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Structuring a business

We help clients to decide upon the most beneficial legal and tax form in which a new business should be organized. The form chosen should provide tax planning benefits (such as minimizing or deferring income taxes on business profits, utilizing business tax losses, protecting the value of equity interests in the business from income and estate taxes) and advantages for business law planning, especially limited liability for owners of the business. Our tax attorneys are experienced in structuring and advising partnerships, limited liability companies, S corporations and C corporations to address both of these objectives. We have also assisted clients in restructuring businesses after disputes between shareholders or significant business changes.

Counseling corporations and businesses

We represent and advise businesses on tax matters affecting all aspects of their operations, including capital contributions, mergers and other reorganizations, distributions, redemptions, tax-free and taxable sales or acquisitions of stock and assets, shareholder agreements, shareholder disputes, executive compensation and liquidation and dissolution. We also have counseled clients through tax audits and have represented them in United States Tax Court.

Assisting individuals in planning their legacy

Our tax attorneys work closely with our large trust and estate department to accomplish clients' testamentary goals while helping to ensure that estate taxes will be minimized. We advise our clients on establishing gifting programs, the use and structure of various types of trusts (e.g., grantor trusts, charitable trusts) and family limited partnerships, the use of buy-sell agreements, the creation of private foundations, the transfer of particular types of assets (e.g. stock options) and the valuation of estate assets. Additionally, we represent and counsel executors and beneficiaries in United States Tax Court and in estate litigation.

Advising the not-for-profit community

Our tax attorneys have an uncommon depth of experience in assisting not-for-profit organizations, such as private foundations and public charities, in all stages and aspects of their operations. We have assisted in the creation of not-for-profit organizations and in the filing of their exemption applications. We have also represented not-for-profits in corporate restructurings, mergers, joint ventures, compensation matters and dissolutions. In addition, we have counseled not-for-profits on issues related to excise taxes and to the maintenance of their not-for-profit status, including private inurement and excess benefit transactions.