



TAXATION

Experienced tax counsel, retained on a timely basis, is critical when federal, state, or local tax authorities allege, or attempt to collect, a disputed tax liability. Taxpayers may (and often do) miss unforgiving procedural deadlines or make admissions before retaining counsel, thus closing off opportunities to defend the client's position or secure the relief sought. Our attorneys represent clients in all manner of tax deficiencies and refund claims involving income taxes, payroll and excise taxes, estate and gift taxes, sales and use taxes, and abatement of related penalties and interest. We also prepare requests for private letter rulings from the IRS on the tax status of a particular client or the tax effects of a proposed transaction.

FEDERAL TAX - AUDIT, APPEALS AND LITIGATION

IRS audits are never welcome events, since they invariably interrupt personal affairs and business operations, but they cannot be ignored. If not handled properly, an examination or audit could adversely affect relationships with spouses, business partners, and shareholders, and will surely have a negative impact on company income and profits. Although many tax disputes are resolved by agreement or administrative settlement, some positions taken by the Service leave no alternative but to seek vindication in court. When litigation is unavoidable, or when it is chosen as a tactical alternative, our clients are represented by litigators who are complete tax lawyers, experienced in transactional tax planning as well as tax litigation.

STATE AND LOCAL TAX - AUDIT, APPEALS AND LITIGATION

Our state and local tax controversy practice provides representation in a wide array of tax matters involving the Commonwealth of Virginia and the affected municipalities. The scope of this practice addresses each element of the required process, from audit through administrative hearing, culminating in appeals to the Supreme Court of Virginia. Our attorneys have been successful in litigation of a variety of tax cases, including personal and corporate income tax, sales and use tax, minimum tax on telecommunications companies, land preservation tax credits, employment tax, and business and professional occupancy tax.

ESTATE, GIFT AND FIDUCIARY TAX RETURN PREPARATION

Executors and trustees must file fiduciary income tax returns (federal and state) each year to report items of income and expense recognized by the estate or trust for which they are responsible. Executors of a

decendent's estate with a gross value exceeding the estate tax exclusion amount in effect must file a federal estate tax return for that entity. In addition, individuals must file a federal gift tax return if they: (1) make gifts to other individuals (other than a spouse) in excess of the annual exclusion from gift tax (currently \$13,000 per donee per year); (2) make gifts using valuation discounts; or (3) wish to elect QTIP treatment for lifetime spousal gifts. Our compliance practice attorneys have the knowledge of and experience with the multiple tax requirements, including appraisals and supporting documentation, necessary to provide comprehensive representation in the preparation, compilation and filing of these returns for our clients.

PRIVATE LETTER RULING REQUESTS

The IRS issues letter rulings for income tax and gift tax matters, estate tax matters, generation-skipping transfer tax matters, employment tax and excise tax matters, and procedures for reporting, paying and collecting taxes, abating, crediting and refunding over assessments or overpayment of tax, and filing information returns. Obtaining a letter ruling can be critical to the success of a proposed transaction, but the formal process for requesting a private letter ruling is complex and requires specialized tax knowledge to properly frame and present the issues pertinent to your transaction. If you believe you require a private letter ruling, we are here to provide the requisite tax expertise necessary to maximize your opportunity to obtain a positive result.

TAX CONSULTING FOR LITIGATION / TRANSACTIONS COUNSEL

The penumbra effect of the experience of our attorneys in tax planning, tax compliance and tax litigation, combined with the several advanced law degrees held, is a cadre of lawyers capable of rendering effective consulting and transactional services to clients, accounting firms and other law firms. Several of our attorneys have served as experts in litigation matters requiring informal case evaluations, as well as formal, technical tax opinion letters for counsel. We have also defended those opinions by testimony in depositions and at trial as qualified expert witnesses. On the transactional side, we serve as consultants to law and accounting firms to provide tax counsel regarding matters as varied as, for example, business succession plan structures, corporate mergers, acquisitions and reorganizations, and tax-efficient structuring of property settlement agreements upon divorce.