



STATE INCOME TAX SCHOOL II

June 4 - 9, 2017

Wylie Inn & Conference Center
at Endicott College
Beverly, MA

Institute for Professionals in Taxation®



STATE INCOME TAX SCHOOL II:

SUNDAY, JUNE 4, 2017	
3:00-6:30pm	Registration
MONDAY, JUNE 5, 2017	
7:00-8:00am	Breakfast
8:00-8:15am	Welcome and Overview
8:15-9:15am	GENERAL SESSION: State of the States
9:30-9:45am	Welcome to State Income Tax School II
9:45-11:15am	GENERAL SESSION: Evaluating Risk in Nexus and P.L. 86-272 Issues
11:30am - 12:00pm	GENERAL SESSION: Nonbusiness Income: Recent Cases & Remaining Questions
12:00pm-1:00pm	Lunch
1:00-1:45pm	GENERAL SESSION: Nonbusiness Income: Recent Cases & Remaining Questions (continued)
1:45-3:00pm	GENERAL SESSION: Unitary Business: Core Theory & Recent Applications
3:15-4:15pm	CASE STUDY: Differences Between Unitary and Nonbusiness
4:15-5:30pm	GENERAL SESSION: Thorny Issues with "Other" Business Taxes: Margin Tax, Franchise Tax, B&O, Etc.
TUESDAY, JUNE 6, 2017	
7:00-8:00am	Breakfast
8:30-10:15am	GENERAL SESSION: Complex Problems in Combined Reporting and Advanced Return Mechanics
10:30-11:30am	CASE STUDY: Combined Reporting
11:30am - 12:00pm	GENERAL SESSION: Coordinating Federal and State RARs and Compliance
12:00-1:00pm	Lunch
1:00-1:30pm	GENERAL SESSION: Coordinating Federal and State RARs and Compliance (continued)
1:30-2:30pm	GENERAL SESSION: Pass-throughs - Advanced Issues
2:30-3:15pm	CASE STUDY: Pass-throughs
3:30-4:30pm	GENERAL SESSION: State Tax Issues for Foreign Affiliates
4:30-5:15pm	CASE STUDY: State Tax Issues for Foreign Affiliates

WEDNESDAY, JUNE 7, 2017	
7:00-8:00am	Breakfast
8:15-9:00am	QUIZ
9:00-10:00am	GENERAL SESSION: SALT Tax Provisions and Accruals
10:15-11:00am	GENERAL SESSION: SALT Tax Provisions and Accruals (continued)
11:00am - 12:00pm	GENERAL SESSION: Advanced Issues in Using and Accounting for Net Operating Losses
12:00-1:00pm	Lunch
1:00-2:45pm	GENERAL SESSION: Advanced Problems in Mergers & Acquisitions
3:00-3:45pm	GENERAL SESSION: Apportionment—Current Issues with Factors: Market vs. COP, Joyce vs. Finnigan, Gross vs. Net, (MTC Compact)
3:45-4:15pm	GENERAL SESSION: Apportionment- Weighing Constitutional Issues
4:15-5:00pm	GENERAL SESSION: Apportionment-Seeking Alternative Relief
5:15-6:15pm	GENERAL SESSION: Ethics
THURSDAY, JUNE 8, 2017	
7:00-8:00am	Breakfast
8:30-9:45am	GENERAL SESSION: Apportionment Case Study and Review
10:00am-12:00pm	GENERAL SESSION: Tax Planning
12:00-1:00pm	Lunch
1:00-2:15pm	CASE STUDY: Mergers & Acquisitions and Tax Planning
2:30-3:45pm	GENERAL SESSION: Related Party Transactions: Transfer Pricing, 311(b) Distributions, Etc.
4:00-5:00pm	CASE STUDY: Related Party Transactions
FRIDAY, JUNE 9, 2017	
7:00-8:00am	Breakfast
8:00-10:00am	GENERAL SESSION: Taxpayer Remedies: The How To's of Tax Controversies
10:15 -11:15am	QUIZ
11:15am	School Concludes

ABOUT IPT's STATE INCOME TAX SCHOOL II:

The State Income Tax School II builds on the fundamental state income tax concepts and is intended for those with some income tax experience. The curriculum provides a review of basic principles and focuses on advanced issues.

This five-day school provides an in-depth examination of the complex problems state income tax professionals face including nexus, other business taxes issues, apportionment complexities, mergers and acquisitions and tax planning nuances, federal and state RARs and compliance, and more. The school is led by a professionally diverse faculty with many decades of experience in the state and local income tax field.

This school is intended for those individuals who have already successfully attended State Income Tax School I (or who have successfully challenged School I), or for those who have seven years of relevant income tax experience.

For successful completion, students are expected to attend 90% (i.e., earn 34.2 CE credit hours) of the school including the mandatory one hour ethics session. The 90% attendance must be reflected in the official certificate of attendance.



2017 STATE INCOME TAX SCHOOL II

SUNDAY, JUNE 4

3:00-6:30pm Registration

7:30pm Dinner

MONDAY, JUNE 5

7:00-8:00am Breakfast

8:00-8:15am **OPENING OF SCHOOL**
(Joint with State Income Tax School I)

Welcome and Overview By:
Kellianne M. Nagy, CMI, CAE
President
Institute for Professionals in Taxation®

8:15-9:15am **GENERAL SESSION**
(Joint with State Income Tax School I)

State of the States
State tax issues are impacted by many factors, with state budgetary concerns at the fore. Learn what's going on now in the state tax world.

Learning Objectives:
At the end of this session, the participant will be able to:

- ▶ Grasp the current economic conditions and state tax developments across the country

Instructor:
Harley T. Duncan
Tax Managing Director
KPMG LLP
Washington, DC

9:15-9:30am Break

9:30-9:45am **Welcome to State Income Tax School II by Program Co-Chair:**

Karen H. Currie, Esq.
Principal/Partner
Ernst & Young LLP
Dallas, TX

9:45-11:15am

GENERAL SESSION

Evaluating Risk in Nexus and P.L. 86-272 Issues

This session will examine in detail the United States Supreme Court decisions discussing the “substantial nexus” standard of the Commerce Clause of the United States Constitution and how this standard has been interpreted and developed by various state courts. The discussion will include the development of economic nexus and attributional nexus concepts. Finally, we will examine federal statutory limitations on the states’ ability to impose net income-based taxes on nonresident taxpayers pursuant to *P.L. 86-272* and selected cases interpreting this limitation.

Learning Objectives:
At the end of this session, the participant will be able to:

- ▶ Grasp the nuances of the “Substantial Nexus” standard of the commerce clause
- ▶ Recognize how this standard has been interpreted and developed by various state courts
- ▶ Discuss the concepts of economic nexus and attributional nexus
- ▶ Discern federal statutory limitations on the states’ ability to impose net income –based taxes on nonresident taxpayers pursuant to *P.L. 86-272* and other selected cases

Instructors:
Karen H. Currie, Esq.
Principal/Partner
Ernst & Young LLP
Dallas, TX

Mara Jolkovsky Strickland
Director
PricewaterhouseCoopers LLP
Atlanta, GA

MONDAY (continues)

Aaron M. Young, CMI, Esq.

Partner
Reed Smith LLP
New York, NY

11:15-11:30am Break

11:30am-12:00pm **GENERAL SESSION**

Nonbusiness Income: Recent Cases & Remaining Questions

This presentation will explore the distinction between business and nonbusiness income by reviewing the decisions of various state courts regarding the treatment of specific types of income. This presentation also will focus on the sourcing rules for allocating nonbusiness income. Additionally, this presentation will review various state-specific allocation rules for sourcing certain types of income.

Learning Objectives:

At the end of this session, the participant will be able to:

- ▶ Grasp the effect of characterizing income as business income or nonbusiness income
- ▶ Explain the transactional and functional tests for determining whether income is business or nonbusiness income
- ▶ Comprehend the basis for and effect of the liquidation exception to the functional test
- ▶ Recognize the effect of non-uniform definitions of business and nonbusiness income
- ▶ Analyze different fact patterns and determine if the resulting income is business income or nonbusiness income under the various statutes, regulations and cases
- ▶ Comprehend and apply UDITPA nonbusiness income allocation rules
- ▶ Recognize existence of areas outside of nonbusiness income where states may directly allocate income

Instructors:

Mark E. Holcomb, Esq.

Of Counsel
Dean, Mead & Dunbar
Tallahassee, FL

David J. Shipley, CMI, Esq.

Partner
McCarter & English, LLP
Newark, NJ

12:00-1:00pm Lunch

1:00-1:45pm **GENERAL SESSION**

Nonbusiness Income: Recent Cases & Remaining Questions (continued)

Instructors:

Mark E. Holcomb, Esq.

Of Counsel
Dean, Mead & Dunbar
Tallahassee, FL

David J. Shipley, CMI, Esq.

Partner
McCarter & English, LLP
Newark, NJ

1:45-3:00pm **GENERAL SESSION**

Unitary Business: Core Theory & Recent Applications

This session will review the United States Supreme Court's decisions that developed the unitary business principle and the various tests used to determine what constitutes a unitary business. Additionally, this presentation will discuss the treatment in separate-company states of income derived from non-unitary business activities as well as income derived from non-unitary affiliates. This session also will discuss the implications of being part of a unitary business in unitary combined reporting states.

Learning Objectives

At the end of this session, the participant will be able to:

- ▶ Grasp the evolution of unitary business concept
- ▶ Recognize and understand cases attempting to exclude non-unitary income from tax

MONDAY (continues)

- ▶ Identify and apply the three tests for determining the existence of a unitary business
- ▶ Explain the difference between operational and investment income and identify when the operational function test should be applied
- ▶ Comprehend the application of the unitary business principle in separate company states
- ▶ Comprehend the various state statutory definitions of a unitary business

Instructors:

Mark E. Holcomb, Esq.

Of Counsel

Dean, Mead & Dunbar

Tallahassee, FL

David J. Shipley, CMI, Esq.

Partner

McCarter & English, LLP

Newark, NJ

3:00-3:15pm Break

3:15-4:15pm **CASE STUDY**

Differences Between Unitary and Nonbusiness

Instructors:

Mark E. Holcomb, Esq.

Of Counsel

Dean, Mead & Dunbar

Tallahassee, FL

David J. Shipley, CMI, Esq.

Partner

McCarter & English, LLP

Newark, NJ

4:15-5:30pm **GENERAL SESSION**

Thorny Issues with “Other” Business Taxes: Margin Tax, Franchise Tax, B&O, Etc.

This session will look at why more states are adopting gross receipts taxes. The session will identify taxable entities and persons subject to gross receipts taxes and the differences in states' jurisdiction to impose gross receipts taxes. The

instructors will explain typical elements in the gross receipts tax base, common exemptions, and reporting rules. The session will also review apportionment factor issues and discuss the major compliance issues for gross receipts taxes imposed in Washington, Michigan, Ohio and Texas.

Learning Objectives

At the end of this session, the participant will be able to:

- ▶ Comprehend why states have adopted gross receipts taxes
- ▶ Identify the taxable entities and persons that are commonly subject to gross receipts taxes
- ▶ Specify why nexus is different for a gross receipts tax from other types of state taxes
- ▶ Grasp the nuances of what constitutes the gross receipts tax base
- ▶ Identify nuances of items exempted from the gross receipts tax base
- ▶ Identify nuances of gross receipts tax reporting options (e.g., combined, consolidated or separate)
- ▶ Comprehend apportionment factor rules
- ▶ Recognize the major credits for the gross receipts taxes in Washington, Ohio, Texas, and Michigan
- ▶ Discuss the major compliance issues for the gross receipts taxes in Washington, Ohio, Texas, and Michigan
- ▶ Identify issues related to the financial statement treatment of gross receipts taxes

Instructors:

Karen H. Currie, Esq.

Principal/Partner

Ernst & Young LLP

Dallas, TX

Mara Jolkovsky Strickland

Director

PricewaterhouseCoopers LLP

Atlanta, GA

TUESDAY, JUNE 6

7:00-8:00am Breakfast

8:30-10:15am **GENERAL SESSION**

Complex Problems in Combined Reporting and Advanced Return Mechanics

Implications of separate, consolidated and combined state income tax returns differences, including discussion of the mechanics and implications of each, the income and apportion factors used, the effect on inter-company transactions and treatment of tax attributes.

Learning Objectives

At the end of this session, the participant will be able to:

- ▶ Explain which entities are typically included in the different types of returns
- ▶ Appreciate the distinctions between a full consolidated return versus a nexus consolidated return
- ▶ Recognize the difference between the states authority to require combination versus a taxpayers ability to elect combination
- ▶ Recognize the difference in the treatment of inter-company transactions under different return types

Instructors:

Mark L. Nachbar, Esq., CPA

Principal
Ryan, LLC
Downers Grove, IL

Judith B. Vorndran, Esq., CPA

State and Local Tax Partner
TaxOps, LLC
Lakewood, CO

10:15-10:30am Break

10:30-11:30am **CASE STUDY**
Combined Reporting

Instructors:

Mark L. Nachbar, Esq., CPA

Principal
Ryan, LLC
Downers Grove, IL

Judith B. Vorndran, Esq., CPA

State and Local Tax Partner
TaxOps, LLC
Lakewood, CO

11:30am-12:00pm

Coordinating Federal and State RARs and Compliance

Amending state returns pursuant to federal changes can be a daunting task, and one in which taxpayers frequently seek advice. In particular, issues such as when a final federal determination has been made for state reporting purposes and what items are open for adjustment of state returns can involve state-specific research. This session of the school highlights several issues that practitioners should be aware of when companies report federal income tax adjustments for state purposes.

Learning Objectives

At the end of this session, the participant will be able to:

- ▶ Comprehend the federal post-audit settlement process
- ▶ Define a “final federal determination”: for state reporting purposes

Instructors:

Mara Jolkovsky Strickland

Director
PricewaterhouseCoopers LLP
Atlanta, GA

Judith B. Vorndran, Esq., CPA

State and Local Tax Partner
TaxOps, LLC
Lakewood, CO

12:00-1:00pm Lunch

1:00-1:30pm **Coordinating Federal and State RARs and Compliance (continued)**

Instructors:

Mara Jolkovsky Strickland

Director
PricewaterhouseCoopers LLP
Atlanta, GA

Judith B. Vorndran, Esq., CPA

State and Local Tax Partner
TaxOps, LLC
Lakewood, CO

TUESDAY (continues)

1:30-2:30pm GENERAL SESSION

Pass-throughs - Advanced Issues

While pass-through entities may escape federal taxation, they raise a host of state tax issues. Our experts will focus on those unique nexus, apportionment and other issues.

Learning Objectives

At the end of this session, the participant will be able to:

- ▶ Consider the nexus implications (and limits) of owning an interest in a pass-through
- ▶ Comprehend the apportionment, combination and tax attribute issues unique to pass-throughs

Instructors:

Kelly W. Smith

Partner

PricewaterhouseCoopers LLP

Atlanta, GA

Margaret C. Wilson, CMI, Esq.

Partner

Wilson Agosto LLP

Somerville, NJ

2:30-3:15pm CASE STUDY Pass-throughs

Instructors:

Kelly W. Smith

Partner

PricewaterhouseCoopers LLP

Atlanta, GA

Margaret C. Wilson, CMI, Esq.

Partner

Wilson Agosto LLP

Somerville, NJ

3:15-3:30pm Break

3:30-4:30pm GENERAL SESSION

State Tax Issues for Foreign Affiliates

In today's global economy, state tax experts must be able to identify and address issues specific to foreign affiliates; this session will give you the tools you need.

Learning Objectives

At the end of this session, the participant will be able to:

- ▶ Grasp what nexus rules apply and the interplay of treaty and federal tax rules
- ▶ Consider unique state tax issues for cross-border businesses and transactions

Instructors:

Kelly W. Smith

Partner

PricewaterhouseCoopers LLP

Atlanta, GA

Margaret C. Wilson, CMI, Esq.

Partner

Wilson Agosto LLP

Somerville, NJ

4:30-5:15pm CASE STUDY State Tax Issues for Foreign Affiliates

Instructors:

Kelly W. Smith

Partner

PricewaterhouseCoopers LLP

Atlanta, GA

Margaret C. Wilson, CMI, Esq.

Partner

Wilson Agosto LLP

Somerville, NJ

WEDNESDAY, JUNE 7

7:00-8:00am Breakfast

8:15-9:00am QUIZ

9:00-10:00am GENERAL SESSION

SALT Tax Provisions and Accruals

Explore the nuances of tax provision and FIN 48 by working through practical applications to uncertain tax positions, including nexus and related party transaction reporting (or non-reporting) positions. Mastering the computational aspects of FIN 48.

Learning Objectives

At the end of this session, the participant will be able to:

WEDNESDAY (continues)

- ▶ Master complicated tax provision concepts
- ▶ Improve upon technical ability to apply FIN 48 to situations faced in practice

Instructors:

Anne Giffels, CPA

Director
Ryan, LLC
Chicago, IL

Rob Michaelis, JD, CPA

Partner
Grant Thornton LLP
Boston, MA

10:00-10:15am Break

10:15-11:00am **GENERAL SESSION**
SALT Tax Provisions and Accruals (continued)

Instructors:

Anne Giffels, CPA

Director
Ryan, LLC
Chicago, IL

Rob Michaelis, JD, CPA

Partner
Grant Thornton LLP
Boston, MA

11:00am-12:00pm **GENERAL SESSION**
Advanced Issues In Using and Accounting for Net Operating Losses

This session will focus on the issues related to the calculation and utilization of state net operating losses (NOLs). The session will address differences in the calculation of NOLs (e.g., some states calculate NOLs on a pre-apportionment basis and others calculate NOLs on a post apportionment basis), issues related to the utilization of NOLs (e.g., the ability to carryforward or carryback NOLs), and the measurement and recognition of NOLs for financial statement purposes. We will also discuss related issues such as capital loss carryforwards and the interaction of

alternative minimum tax calculations with NOL utilization.

Learning Objectives

At the end of this session, the participant will be able to:

- ▶ Comprehend the issues and methodologies related to the states' calculation of net operating loss carryforwards (NOLs)
- ▶ Determine the potential utilization of NOLs, including when a taxpayer may carryback or carryforward an NOL and when the states limit the ability to carryback or carryforward the NOL
- ▶ Apply the information to situations where taxpayers must address the correct reporting of state NOLs for tax compliance and financial reporting purposes

Instructors:

Dan Lipton

Tax Senior Manager
Ernst & Young LLP
Boston, MA

Judith B. Vorndran, Esq., CPA

State and Local Tax Partner
TaxOps, LLC
Lakewood, CO

12:00-1:00pm Lunch

1:00-2:45pm **GENERAL SESSION**
Advanced Problems in Mergers & Acquisitions

Acquisitions, mergers and reorganizations can take many different forms, and each can have significant state and local tax implications. This session will explore the various types of transactions used to buy and sell businesses and examine the state tax issues inherent in such deals. The session will also review typical provisions in acquisition agreements with an analysis emphasizing the consequences for state income taxes, as well as sales and property taxes.

WEDNESDAY (continues)

Learning Objectives

At the end of this session, the participant will be able to:

- ▶ Comprehend the state tax principles of mergers and acquisitions
- ▶ Comprehend specific state income tax considerations of reorganizations, for both buyer and seller
- ▶ Comprehend provisions of an acquisition agreement and the relevant importance in a transaction

Instructors:

Karen H. Currie, Esq.
Principal/Partner
Ernst & Young LLP
Dallas, TX

John F. Fletcher, Esq.
Attorney
Jones Walker LLP
Jackson, MS

2:45-3:00pm Break

3:00-3:45pm **GENERAL SESSION**

Apportionment—Current Issues with Factors: Market vs. COP, Joyce vs. Finnigan, Gross vs. Net, (MTC Compact)

This session discusses the major issues pertaining to apportionment. The management of a taxpayer's property, payroll and sales factors can give a taxpayer some discretion over their apportionment profile and, to some extent, which state(s) it will pay tax in. In some cases, state law may contain certain unique and beneficial rules for constructing the traditional apportionment formulas or permit favorable alternative apportionment. In other cases, "nowhere" factors can be created by having amounts in the denominator of a factor which are not included in any state numerators. These issues, as well as efforts by states to modify a taxpayer's factors--through throwout and throwback statutes, for example--will be discussed.

Learning Objectives

At the end of this session, the participant will be able to:

Units 1 and 2

- ▶ Comprehend the growing trend away from an evenly weighted three factor formula
- ▶ Recognize unique rules for sourcing from services, intangibles, and capital assets
- ▶ Grasp the difference between sourcing receipts costs of performance and market approaches
- ▶ Recognize the rationale for a state's inclusion of net receipts, as opposed to gross receipts, from sales of treasury function investments in the sales factor
- ▶ Recognize some of the gray areas in characterizing income for sales factor purposes
- ▶ Discuss the different methods used to value property for property factor purposes
- ▶ Comprehend the property factor treatment of rented property, property in transit, moveable property and leased property
- ▶ Comprehend what compensation is included in a state's payroll factor
- ▶ Discuss the concept of payroll attribution

Unit 3

- ▶ Appreciate the risk of being denied the right to apportion
- ▶ Define the "ultimate destination" rule
- ▶ Describe the "throwback rule" and when it applies
- ▶ Define the "Joyce" rule and when it applies
- ▶ Define the "Finnegan" rule and when it applies
- ▶ Describe the "double throwback rule" and when it applies
- ▶ Describe the "throwout rule" and when it applies

WEDNESDAY (continues)

- ▶ Define a “dock sale” and its potential implication on sales factor apportionment

Unit 4

- ▶ Identify the major constitutional issues related to the apportionment of income, including the issues related to the Due Process Clause and Commerce Clause
- ▶ Address the ability of a taxpayer to request a change or modification of a statutory apportionment factor and what information may influence the state to grant such a modification
- ▶ Understand the state taxing authorities’ powers to modify a taxpayer’s apportionment factor and how the state may apply these powers

Instructors:

Gary C. Bingel, CMI, Esq., CPA
Partner, State & Local Taxes
EisnerAmper LLP
Iselin, NJ

Veronica Caputo
SALT - Senior Manager
Grant Thornton LLP
Kansas City, MO

3:45-4:15pm GENERAL SESSION

Apportionment—Weighing Constitutional Issues

Formulary apportionment rules vary from state to state, but are always limited by federal constitutional constraints; learn how to spot and address them.

Learning Objectives

At the end of this session, the participant will be able to:

- ▶ Comprehend which constitutional clauses may apply to limit overly inclusive apportionment schemes
- ▶ Consider the practical implications of pursuing such challenges

Instructors:

Gary C. Bingel, CMI, Esq., CPA
Partner, State & Local Taxes
EisnerAmper LLP
Iselin, NJ

Veronica Caputo
SALT - Senior Manager
Grant Thornton LLP
Kansas City, MO

4:15-5:00pm GENERAL SESSION

Apportionment—Seeking Alternative Relief

“Section 18” relief from unfair apportionment is available in most states, but how do you seek it and is it ever granted? And, how might it be used against you?

Learning Objectives

At the end of this session, the participant will be able to:

- ▶ Comprehend the mechanics and proof issues for seeking alternative apportionment
- ▶ Consider defenses to state attempts to impose alternative approaches

Instructors:

Gary C. Bingel, CMI, Esq., CPA
Partner, State & Local Taxes
EisnerAmper LLP
Iselin, NJ

Veronica Caputo
SALT - Senior Manager
Grant Thornton LLP
Kansas City, MO

5:00-5:15pm Break

5:15-6:15pm GENERAL SESSION

Ethics

Unethical conduct on the part of sports and entertainment celebrities, government officials and business leaders continues to make headlines. Violations affect not just the offending individual, but families, colleagues, employers, clients and the profession at large. The publication and enforcement of a Code of Ethics is central to IPT’s mission as an organization

promoting the integrity of the SALT profession and the members of the public who use our services. This class examines the provisions of the IPT Code in the context of real-life scenarios with which state and local tax professionals are confronted. Emphasis is given to recent amendments to the Code and a discussion is included of the procedures followed when a complaint is filed.

Learning Objectives

At the end of this session, the participant will be able to:

- ▶ Develop an understanding of the role of ethical canons in the SALT profession
- ▶ Become familiar with the IPT Code of Ethics
- ▶ Learn the procedures for reporting and responding to complaints alleging a violation of the IPT Code

Instructors:

Mark A. Loyd, Esq.

Partner and Chair, Tax and Employee Benefits Group
Bingham Greenebaum Doll LLP
Louisville, KY

Glenn C. McCoy, Jr., CMI, Esq.

Director
KPMG LLP
New York, NY

THURSDAY, JUNE 8

7:00-8:00am Breakfast

8:30-9:45am **GENERAL SESSION**

Apportionment Case Study and Review

Instructor:

Gary C. Bingel, CMI, Esq., CPA

Partner, State & Local Taxes
EisnerAmper LLP
Iselin, NJ

Veronica Caputo

SALT - Senior Manager
Grant Thornton LLP
Kansas City, MO

9:45-10:00am Break

10:00am-12:00pm

GENERAL SESSION

Tax Planning

No matter what your position, it is critical that you be equipped to evaluate the state and local tax concerns in any proposed tax planning (whether being done for federal or for state purposes) or any proposed restructuring of your business. This session will also explore the growing importance of having business purpose and economic substance from a state and local tax perspective.

Learning Objectives

At the end of this session, the participant will be able to:

- ▶ Comprehend the state tax considerations of corporate/entity reorganizations
- ▶ Comprehend and be able to identify restructuring options that lead to a more tax efficient outcome
- ▶ Grasp business purpose and economic substance concepts, and when to be concerned about them

Instructors:

Gary C. Bingel, CMI, Esq., CPA

Partner, State & Local Taxes
EisnerAmper LLP
Iselin, NJ

John F. Fletcher, Esq.

Attorney
Jones Walker LLP
Jackson, MS

12:00-1:00pm Lunch

1:00-2:15pm **CASE STUDY**
Mergers & Acquisitions and Tax Planning

Instructors:

Gary C. Bingel, CMI, Esq., CPA

Partner, State & Local Taxes
EisnerAmper LLP
Iselin, NJ

John F. Fletcher, Esq.

Attorney
Jones Walker LLP
Jackson, MS

2:15-2:30pm Break

THURSDAY (continues)

2:30-3:45pm GENERAL SESSION

Related Party Transactions: Transfer Pricing, 311(b) Distributions, Etc.

States are focusing more scrutiny on related party transactions, seeking to adjust prices, force gain recognition, and more. Our experts will bring you up to date on the latest issues, and how to avoid or address them.

Learning Objectives

At the end of this session, the participant will be able to:

- ▶ Grasp transfer pricing implications for state tax
- ▶ Learn to spot gains that may be triggered for state tax only

Instructor:

Jordan M. Goodman, Esq., CPA

Partner

Horwood Marcus & Berk Chartered
Chicago, IL

Marilyn Wethekam, Esq.

Partner

Horwood Marcus & Berk Chartered
Chicago, IL

3:45-4:00pm Break

4:00-5:00pm CASE STUDY

Related Party Transactions

Instructor:

Jordan M. Goodman, Esq., CPA

Partner

Horwood Marcus & Berk Chartered
Chicago, IL

FRIDAY, JUNE 9

7:00-8:00am Breakfast

8:00-10:00am GENERAL SESSION

Taxpayer Remedies: The How To's of Tax Controversies

Our experts will give you critical tools for protests, litigation strategies, building your case, and dealing with the fall-out.

Learning Objectives

At the end of this section, the participant will be able to:

- ▶ Comprehend the options in tax controversies and learn how to evaluate them
- ▶ Build your strategic controversy skill set

Instructors:

Gary C. Bingel, CMI, Esq., CPA

Partner, State & Local Taxes

EisnerAmper LLP

Iselin, NJ

Jordan M. Goodman, Esq., CPA

Partner

Horwood Marcus & Berk Chartered
Chicago, IL

10:00-10:15am Break

10:15-11:15am QUIZ

11:15am School Concludes



2017 STATE INCOME TAX SCHOOL II COMMITTEE/FACULTY

Co-Chair:

Gary C. Bingel, CMI, Esq., CPA
Partner, State & Local Taxes
EisnerAmper LLP
Iselin, NJ

Co-Chair:

Karen H. Currie, Esq.
Principal/Partner
Ernst & Young LLP
Dallas, TX

Nineteen Instructors constitute the 2017 faculty; the private and corporate sectors are represented. Biographical summaries of the Instructors will be furnished at registration.

Veronica Caputo

SALT - Senior Manager
Grant Thornton LLP
Kansas City, MO

Harley T. Duncan

Tax Managing Director
KPMG LLP
Washington, DC

John F. Fletcher, Esq.

Attorney
Jones Walker LLP
Jackson, MS

Anne Giffels, CPA

Director
Ryan, LLC
Chicago, IL

Jordan M. Goodman, Esq., CPA

Partner
Horwood Marcus & Berk Chartered
Chicago, IL

Mark E. Holcomb, Esq.

Of Counsel
Dean, Mead & Dunbar
Tallahassee, FL

Dan Lipton

Tax Senior Manager
Ernst & Young LLP
Boston, MA

Mark A. Loyd, Esq.

Partner and Chair, Tax and
Employee Benefits Group
Bingham Greenebaum Doll LLP
Louisville, KY

Rob Michaelis, JD, CPA

Partner
Grant Thornton LLP
Boston, MA

Mark L. Nachbar, Esq., CPA

Principal
Ryan, LLC
Downers Grove, IL

David J. Shipley, CMI, Esq.

Partner
McCarter & English, LLP
Newark, NJ

Kelly W. Smith

Partner
PricewaterhouseCoopers LLP
Atlanta, GA

Mara Jolkovsky Strickland

Director
PricewaterhouseCoopers LLP
Atlanta, GA

Judith B. Vorndran, Esq., CPA

State and Local Tax Partner
TaxOps, LLC
Lakewood, CO

Margaret C. Wilson, CMI, Esq.

Partner
Wilson Agosto LLP
Somerville, NJ

Marilyn Wethekam, Esq.

Partner
Horwood Marcus & Berk Chartered
Chicago, IL

Aaron M. Young, CMI, Esq.

Partner
Reed Smith LLP
New York, NY

Overall Chair, Income Tax Education

Glenn C. McCoy, Jr., CMI, Esq.
Director
KPMG LLP
New York, NY

REGISTRATION FEE

(APPLICANT OR SOMEONE FROM COMPANY MUST BELONG TO IPT)
(INCLUDES PRINTED COURSE NOTEBOOK)

BY MAY 5, 2017

\$845 (APPLICANT PERSONALLY BELONGS TO IPT)

AFTER MAY 5, 2017

\$895 (APPLICANT PERSONALLY BELONGS TO IPT)

BY MAY 5, 2017

\$1,095 (NON-MEMBER WHOSE COMPANY HAS MEMBERS IN IPT)

AFTER MAY 5, 2017

\$1,145 (NON-MEMBER WHOSE COMPANY HAS MEMBERS IN IPT)

Beverly area registrants are encouraged to stay at the hotel given the peer interaction that takes place, which is an essential part of the program. Should election be made, however, to stay at home, there is a **supplemental registration fee of \$695.00** to cover some of the overhead costs that are a part of the hotel reservation fee. The Supplemental Fee includes dinner on Sunday; breakfast, lunch and dinner from Monday to Thursday; breakfast and lunch on Friday. Refreshment breaks and the individual daily participant fee charged by the hotel is applied to audio visual and meeting room space costs.

All registrations must be completed in advance of the School through the IPT Office.

There are 2 ways to register: directly online on our website www.ipt.org or via pdf registration form (also found on our website) which can be completed and mailed to 1200 Abernathy Road, N.E., Suite L-2, Atlanta, GA 30328. Enrollment is limited to IPT members or employees of companies who have members in IPT.

Full refunds will be issued for any applications not accepted due to over-subscription. Notification of acceptance will be sent out. **All applications must be received by the IPT Office no later than May 26, 2017, for timely consideration.**

CANCELLATION FEE

The cancellation fee is \$100 for any filed registration. After May 26, 2017 no refunds will be made. **No cancellations will be valid unless placed in writing to IPT.** For more information regarding administrative policies, such as complaint and refund, contact our office at (404) 240-2300.

SUBSTITUTION FEE

Prior to (including) May 5:	\$40.00
After May 5:	\$50.00

SCHOOL NOTEBOOK

An integral part of the School is the notebook that contains all of the learning materials. As part of the registration fee, students will receive a printed version of the notebook at the School's registration desk. Students may also select the **"Member fee w/o course notebook (I will print on my own)"** option on the registration form, which will provide a \$50 discount on registration fees; however, a **printed version** of the notebook will not be given to them at the School. All students will be granted web access to download, save and print copies of the book chapters, appendices and breakout problems to a single device 7 days before the School and during the School. Please note that having access to the materials during the School is imperative in the learning process. There are no readily accessible power outlets available in the meeting rooms to power a computer if the materials are stored on a hard drive.

TESTING AND ATTENDANCE

All students must arrive no later than 6:00 pm on Sunday afternoon. Registration is from 3:00 pm to 6:30 pm. Note that hotel check-in is not available until 3:00 pm. Class sessions will begin on Monday at 8:00 am. Attire during the day is business casual.

Quizzes will be given during the week. A cumulative passing score must be realized for successful completion of the School. Attendance will be electronically recorded, and all registrants will be required to complete a final quiz on Friday, June 9, 2017, that will be administered from 10:15 am to 11:15 am. (Please make your travel arrangements accordingly) **No exceptions can be made to taking the examination at the stated time on Friday.**

In addition, students are expected to attend 90% (i.e., earn approximately 34.2 CE credit hours) of the School including the mandatory ethics session. The 90% attendance must be reflected in the official certificate of attendance. **According to IPT Board of Governors policy, students MUST attend the ethics session included at the school in order to successfully complete the school.** Certificates of completion and result letters will not be sent unless this requirement is satisfied. No alternative arrangements for attending the Ethics session will be made. **No phones are permitted on the table during the exam.**

ACCOMMODATIONS

All Registrants and Instructors are expected to reside at the Wylie Inn & Conference Center at Endicott College in Beverly, MA, at the IPT group rate. The only permissible exceptions are those individuals who reside in the Beverly area (see **Registration Fee for additional details**).

Reservations should be made in a timely manner with the hotel by using one of the following options:

1. Go to the IPT website: www.ipt.org and click on the hotel link that appears under the 2017 State Income Tax School II heading.
2. Call Hotel Reservations at the Inn & Conference Center at Endicott College in Beverly, MA at (866) 333-0859, and be sure to reference the IPT State Income Tax School II to secure the conference rate.

For any additional nights needed **before or after the posted group dates**, please contact the hotel directly at (866) 333-0859 to check availability.

Reservations should be made with the hotel by **May 5, 2017**, to ensure receiving the group rate. After this date, or once the room block is filled, reservations requested will be on a space available basis.

The individual group rate is \$1,345 (excluding taxes) for the five-night stay, Sunday through Friday Noon. This rate includes dinner on Sunday and breakfast, lunch and dinner from Monday to Thursday. Friday includes breakfast and lunch. **Registrants must pay this package rate as it includes many overhead charges.** Please contact the hotel directly for double-occupancy package rate. For those who wish to stay Saturday Night prior to the school, the rate is **\$169** (excluding taxes). Check-in time is 3:00 p.m. and check-out time is 11:00 a.m. This Saturday rate does not include any meals. **Please note, the price quoted on-line or over the phone will be slightly higher than the rates quoted above due to the package tax allocation. The rates will be adjusted upon check-in to reflect the rates quoted above. The hotel accepts all major credit cards. Please check with the hotel regarding their cancellation policy. The cut-off date with the hotel for the IPT group rate is May 5, 2017.**

FURTHER INFORMATION

The Wylie Inn and Conference Center at Endicott College is approximately 28 miles north of Boston Logan International Airport.

Studies have shown that the optimum classroom temperature is 65°. The Conference Center maintains an optimum learning environment. Please bring appropriate sweaters or long-sleeved shirts to class. Attire during the day is business casual.

PHOTOGRAPHY

Photos will be taken at this event. These may be published in IPT publications, multimedia presentations, website, LinkedIn and Facebook pages, and other IPT related social media sites. Registration and attendance at, or participation in, IPT meetings or other activities constitutes agreement by the registrant/speaker/attendee to IPT's use and distribution of the registrant's, speaker's, or attendee's image or voice in photographs, videotapes, electronic reproductions, and tapes of such events and activities. Tape recording of sessions is not permitted.

CONTINUING EDUCATION

The Institute for Professionals in Taxation® is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.NASBARegistry.org.

Approximately, 38 continuing education credits are available for attendance including 1 IPT "Ethics" credit. In accordance with the standards of the National Registry of CPE Sponsors, CPE credits have been granted based on a 50-minute hour. CMIs will obtain hour-for-hour continuing education credits for attendance up to a maximum of 30 credit hours.

IPT is accredited by NASBA for CPE purposes. IPT files a Continuing Legal Education (CLE) application with the state in which the program is held. Any fee imposed by an individual state based on an individual's credit hours is the responsibility of the individual. The Institute provides a standardized Certificate of Attendance that may be presented to other organizations two weeks after the program.

Prerequisites: State Income Tax School I or [Its Successful Challenge](#) or 7 years' experience

Program Level: Intermediate

Recommended Field of Study: Taxes (Income Tax) and Regulatory Ethics

Instructional Method: Group Live

Advance Preparation Required: None

As required by regulatory agencies, IPT must verify individual attendance at sessions in order to grant Continuing Education Credits. Each Registrant's name badge has a unique bar code that identifies that individual. In order to obtain CE credit, the individual must have his or her bar coded badge scanned during the first 15 minutes of each session. No credit for the session will be given to un-scanned registrants. Lost name badges should be reported immediately to the registration desk for a replacement. Each attendee will be able to obtain a copy of his or her scanned attendance (Certificate of Attendance) through the IPT website on the "My Participation" tab approximately two weeks after the end of the program. Students will receive their official results and attendance data by email.

STATE BUSINESS INCOME TAXATION BOOK

The *State Business Income Taxation* book includes contributions from some of the nation's preeminent state business income tax practitioners, a virtual Who's Who of SALT professionals. This treatise, derived from the authors' many years of expertise in state business income taxation, is a vital reference tool. Let the leading state and local income tax experts provide you with the answers you need by purchasing this book and accompanying CD today! State Business Income Taxation Book is \$100 for registrants of the school. See registration form. **Please visit the following IPT link to order a copy of the State Business Income Taxation Book.**

[Publications Order Form](#)

CMI DESIGNATION - INCOME TAX

The Institute for Professionals in Taxation®'s designation, Certified Member of the Institute (CMI), is available to anyone who meets specific educational requirements, has five years of income tax experience, and is currently an income tax member in good standing of the Institute.

The educational requirements to achieve the CMI Income Tax professional designation include successful completion of IPT's State Income Tax School II. Successful completion or challenge of the State Income Tax School I is a prerequisite for the State Income Tax School II. Successful completion of both the written and oral CMI examinations is required. The CMI requirements and the CMI Candidacy Application can be downloaded from the IPT website at www.ipt.org.



ABOUT IPT

The Institute, founded in 1976, is a 501(c)(3) non-profit educational association serving over 4200 members who represent approximately 1450 businesses throughout the United States and Canada. It is the only professional organization that educates, certifies and establishes strict codes of conduct for state, local, income, property, sales and use tax, VAT, and credits and incentives professionals who represent taxpayers (government officials or organizations do not qualify for membership).



2017 STATE INCOME TAX SCHOOL II SPONSORS

Ernst & Young LLP

Marvin F. Poer and Company

Reed Smith LLP

Ryan

NOTES

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



Institute for Professionals in Taxation®

1200 Abernathy Road, N.E., Building 600, Suite L-2, Atlanta, GA 30328

Phone: (404) 240-2300 | Fax: (404) 240-2315

www.ipt.org