

# **Tax Section of the Florida Bar**

February 2016 E-Newsletter

[www.floridatallaxlawyers.org](http://www.floridatallaxlawyers.org)

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## **MEETINGS** **(SAVE THESE DATES)**

### **2016 Directors Meeting**

**March 4-6, 2016**  
**Hawks Cay**

The next Directors' Meeting will be from March 4 – March 6  
at the Hawks Cay Resort at Duck Key in the Florida Keys.

### **2016 Tax Section Annual Meeting**

**May 19-22, 2016**  
**Fontainebleau Hotel, Miami Beach**  
**“The World of Economic Substance as it Applies to Your World”**

### **2016 Organizational Meeting**

**July 1-4, 2016**  
**Omni Amelia Island Plantation**

**Now accepting reservations for**  
**The 2016 Tax Section Organizational Meeting!**

**Tentative Schedule**

**Friday, July 1, 2016** – 4:00 p.m. – 6:00 (Directors' Committee – Directors' Dinner to follow)

**Saturday, July 2nd, 6:00 p.m. – 10:00 p.m.** (Chair's Reception and Dinner)

**Sunday, July 3rd, 8:00 a.m. – 2:00 p.m.** (Committee Meetings and Executive Council Meeting)

**Monday, July 4th, 1:30 p.m. – 5:00 p.m.** (Ullman Year in Review)

**Monday, July 4th, 7:00 p.m. – 9:30 p.m.** (Dinner and Fireworks)

Group rate 2016 - \$264.00

[CLICK HERE FOR OMNI RESERVATIONS](#)

## **2016 Fall Meeting**

**October 13-16, 2016**

**Renaissance Vinoy, St. Petersburg**

## **2017 Annual Meeting**

**May 4 -7, 2017**

**The Breakers, Palm Beach**

Visit the Tax Section website for more information: <http://www.floridataxlawyers.org>

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## **Mark your calendars!**

The state tax division will hold its  
**Annual Liaison Meeting**  
**with the Florida Department of Revenue**  
**on Monday, March 14, 2016**  
**in Tallahassee.**

Come hear updates from the Department and wish Marshall Stranburg well before he begins his new journey as the Deputy Executive Director of the Multistate Tax Commission. The meeting will begin at 9:00am

at the Department of Revenue offices.  
Please contact French Brown at [FrenchB@hgslaw.com](mailto:FrenchB@hgslaw.com)  
if you are interested in attending.

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## **CLE OPPORTUNITIES**

Division: Fed Tax Division of the Florida Bar Tax Section

**Date: 2/10/2016 12 p.m. – 1 p.m.**

Speaker: Abrahm Smith

Topic: Expatriation: IRS proposes New Rules on Gifts From Expatriates

Abrahm Smith will discuss expatriations in general and the new IRS Section 2801 proposed regulations (issued September 9, 2015) regarding gifts or bequests received from expatriates.

Division: Fed Tax Division of the Florida Bar Tax Section

**Date: 2/24/2016 from 12 p.m. – 1 p.m.**

Speaker: TBD

Topic: FIRPTA statutory changes

**Each CLE will be free and worth 1 credit.  
The location will be the same for both.  
LOCATION - Tel: (712) 432-0900, Code: 611713**

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## **WRITING OPPORTUNITIES**

### **Florida Bar Tax Section Bulletin**

Are you interested in publishing an article that will be circulated to the 2000 plus members of the Tax Section? If so, preparing an article for the Tax Section Bulletin is a great way to gain notoriety in the Section and beyond. Please contact any one of the following Tax Section representatives if you are interested:

Brian Malec  
Federal Tax Division Director

407-428-5177  
[bmalec@deanmead.com](mailto:bmalec@deanmead.com)

Micah Fogarty  
Federal Tax Division Director

813-253-2020  
[mfogarty@barnettbolt.com](mailto:mfogarty@barnettbolt.com)

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## **Tax Section Comments on IRS Regulation Projects**

The Tax Section has members working on comments on the following IRS regulation projects. If you are interested in participating in either comment project contact Brian Harris at [brian.harris@akerman.com](mailto:brian.harris@akerman.com).

(1) **Transfers of Property to Partnerships with Related Foreign Persons.** We are looking at putting together a group and are soliciting volunteers to prepare comments in response to Notice 2015-54, Transfers of Property to Partnerships with Related Foreign Partners and Controlled Transactions Involving Partnerships. Notice 2015-54 is aimed at IP migrations that utilize partnerships. A typical IP migration involves a transfer of IP from a US company to a foreign company. As such, the use of partnerships is the less frequently used approach. Portions of Notice 2015-54 mandate the use of the remedial method under Code Section 704(c) to cause the US contributor to have income, and portions seemingly apply IRC 482 principles in a manner this is possibly inconsistent with the *Veritas* decision and invokes the income allocation rules used by the current cost sharing rules under Treas. Reg. Section 1.482-7. The cost sharing rules require that a significant amount of profits earned by contributed IP be allocated to the contributing cost sharing participant. As such, the application of the cost sharing approach to partnerships may exceed the IRS's authority. The impact of the Notice 2015-54 may extend to other areas of partnership tax and maybe even estate and gift tax planning.

(2) **FIRPTA Reorganizations.** We are currently looking at the Requested Exclusion of FIRPTA Reorganizations from Corporate Inversion Rules. The principal covered Code Sections are 7874 and 897. Participants include: Jim Barrett, Bob Hudson, Steve Hadjiligiou, Jeff Rubinger, Joe McFarland, James Schmidt, Summer LePree, Ceci Hassan, Bobby Moore, Michael Bruno, Adam Smith, Alfredo Tamayo and Hans Tanzler IV. There is no comments deadline and this project is ongoing.

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**From the Trusts & Estates Corner of the World**, the IRS recently announced a new procedure for obtaining an estate tax closing letter evidencing that a Federal Estate (and Generation-Skipping Transfer) Tax Form (Form 706) has been accepted as filed. Historically, the IRS issued these letters to the executor/personal representative of an estate automatically. The significance of an estate tax closing letter is that, barring the most unusual of circumstances, the IRS will not seek to re-open an estate or seek to collect any additional taxes after a closing letter has been issued. I personally have never experienced an estate being re-opened after a closing letter has been issued in over 30 year of practice. For estate tax returns filed on or after June 1, 2015, an estate tax closing letter will now only be issued upon request by the taxpayer. The IRS website ([www.irs.gov](http://www.irs.gov)) advises taxpayers to wait at least four (4) months after filing the return to make the request and provides a contact number for additional information regarding any such requests (866-699-4083). While it should in any event be considered "best practices" to have one in the file, Florida probate courts will not allow a taxable estate administration to be concluded without evidence of filing. So this new request requirement should be added to your standard checklist for taxable probate estates or you may find yourself waiting for something that is no longer going to come automatically.

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## **Pro Bono Volunteer Opportunities**

Florida's Low Income Taxpayer Clinics (LITCs) assist low income taxpayers with IRS controversies, including, collections, liability disputes and Tax Court petitions. Studies show that representation significantly increases positive outcomes for low income taxpayers. If interested in representing a low income taxpayer, please directly contact the LTC nearest you (for a complete list of the LITCs in Florida, go to [www.lsgmi.org](http://www.lsgmi.org) and click on Low Income Taxpayer Clinic under Quick Links.

Volunteers needed for the U.S. Tax Court Pro-Bono Calendar Call Program. The Program is designed to have local tax practitioners volunteer their time to pro se taxpayers during Small Case calendar call sessions without entering their name as the attorney of record. If you are interested in participating, please contact Karen J. Lapekas at 305-600-1485 or [karen@lapekaslaw.com](mailto:karen@lapekaslaw.com).

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**Questions or comments, please email Arlee Colman at  
acolman@flabar.org or visit our website at  
[www.floridatlawyers.org](http://www.floridatlawyers.org)**