

Tax Section of the Florida Bar

March 2016 E-Newsletter

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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

Directors' Committee Meeting and Past Chairs' CLE

March 2-5, 2017

Villagio Inn and Spa, Yountville, California

2017 Annual Meeting

May 4 -7, 2017

The Breakers, Palm Beach

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

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 if you are interested in attending.

CLE OPPORTUNITIES

Division: New Tax Lawyers Division of the Florida Bar Tax Section

Date: 3/9/2016 12 p.m. – 1 p.m.

Speakers: Michael Bruno and Sean Tevel

Topic: A comparison of FATCA and the Common Reporting Standard

Description: In this CLE, we will provide an overview of the Foreign Account Tax Compliance Act (“FATCA”) and the OECD’s Common Reporting Standard. Also, we will discuss their differences and similarities, and conclude with important latest news in these areas.

Division: State Tax Division of the Florida Bar Tax Section

Date: 3/23/2016 from 12 p.m. – 1 p.m.

Speaker: Tammy Miller

Topic: Sales Tax Topics That All Small Businesses Should Know

Description: The topic will address the most common areas of Florida sales and use tax that impact small businesses. These will include items such as the tax on

the rental of commercial real property; the use tax implications of buying fixed assets and other expense items out-of-state for use in Florida; purchasing inventory for resale; and the various exemptions that may be available based on a business's industry. I will also include information on how to research topics on the Department of Revenue's website and how to request legal opinions on tax matters from the Department.

Each CLE will be free and worth 1 credit.

The location will be the same for both.

LOCATION - Tel: (712) 432-0900, Code: 611713

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

Micah Fogarty
Federal Tax Division Director

813-253-2020
mfogarty@barnettbolt.com

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.

(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 Hadjilogiou, 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.

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) 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.

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 LITC nearest you (for a complete list of the LITCs in Florida, go to 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.

**Questions or comments, please email Arlee Colman at
acolman@flabar.org or visit our website at
www.floridataxlawyers.org**