

State and Local Tax Services

Overview

State and local tax (SALT) obligations present some of the most complex challenges for businesses to navigate. New regulations and differing compliance requirements across numerous jurisdictions can make the prospect of staying current with your various tax obligations daunting.

Anchin's SALT Group is committed to helping you manage your tax burden, while proactively seeking opportunities to lower your tax exposure and ensure continued compliance. We work with a wide range of businesses from entrepreneurial startups to large corporations, designing solutions to best fit their business needs.

Anchin keeps current with ongoing changes to the state and local tax landscape so we are well-positioned to provide insight regarding how these new laws and regulations apply to businesses in various industries.

Services

- Income, franchise, excise & gross receipts taxes
- Sales & use tax
- Domicile & residency
- New York City unincorporated business tax
- New York City commercial rent tax
- State and local tax dispute resolution & audit representation
- Voluntary disclosure agreements
- Tax amnesty programs
- Real estate transfer taxes
- Transactional due diligence
- Unclaimed/escheatable property compliance and recovery
- Worker classification & Department of Labor examinations

The Value of Adding SALT

- Analysis of the nexus & taxability footprint
- Development of methodologies for multi-state income allocation & apportionment
- Identification of potential refunds and risk exposure
- Provision of tax audit representation & mitigate assessments
- Guidance on new state tax policy & legislation
- Monitoring credit & incentive opportunities

Case Studies

Sales Tax Example

A large, privately held real estate landowner and management company in New York City was sub-metering electricity to tenants. The client failed to claim a credit for sales taxes paid on electricity purchased from the utility and ESCo which was resold to its various property tenants.

We identified the issue and performed a reverse sales tax audit of the company's electricity purchases and resales for the prior three years for each of its 11 properties. We filed refund claims for the overpayment of the sales tax resulting in over \$1 million in refunds for our client.

Residency and Domicile Example

The taxpayer was a resident of New York City and paid income tax at the combined state and city rate. Her primary source of income was an interest in a casino-hotel located in another state. The resort received a lucrative buyout offer which, based on her ownership percentage, would have exposed the taxpayer to a \$25 million New York State and City tax liability.

Prior to finalizing the sale, we helped the taxpayer move her state of residence to Nevada, a no income tax jurisdiction, thereby eliminating resident state income taxes on the sale proceeds. We then represented the taxpayer in a subsequent New York residency audit focusing on the year of the sale. We prevailed in the examination, saving our client millions of dollars in state and city taxes.

Contact Anchin Today!



ALAN GOLDENBERG, JD, MBA, LL.M

Principal & Leader —
State & Local Tax and Tax Controversy
alan.goldenberg@anchin.com
212.840.7066

