

State & Local Tax

Pillsbury State and Local Tax (SALT) is the foremost source for advice and advocacy on any tax or fee in the United States. We have a proven track record of winning results. Our representation has turned a \$500 million assessment into a \$65 million refund.

“While the lawyers are all wicked smart, what sets them apart is that they are also practical.” —Chambers USA

Geographic reach. Pillsbury has one of the premier SALT teams in the nation. Our collective, coast-to-coast experience covers virtually every type of tax or fee confronted by our clients in states, counties and cities throughout the United States. Our unparalleled knowledge of the relevant tax law combined with our proactive approach to legislative and regulatory activity create efficiencies and value for our clients.

Tax litigators. Our tax lawyers handle all their own administrative and judicial state tax litigation. Our ability to drive litigation with our tax experience allows us to achieve outstanding results efficiently for our clients.

Experience on all sides of the issues. Our team includes tax attorneys who have worked with the California Department of Justice Tax Division, California Franchise Tax Board, California State Board of Equalization, and the nation’s largest public accounting firms, as well as with multinational corporations as in-house state tax counsel.

Representative Matters

- Successfully eliminated \$150 million in tax liability for a Fortune 20 global technology giant in a corporate income tax matter primarily involving R&D credit and sales factor issues against the California Franchise Tax Board.
- Won before the New York Division of Tax Appeals an appeal by a leading online lending marketplace operator against the New York Division of Taxation in a dispute over whether the operator’s services were subject to sales tax as information services.
- Achieved a New Jersey Tax Court victory for a Fortune 100 bank in a leading interest addback challenge.
- Won a \$100 million refund for a Fortune 50 bank on the issue of whether gross receipts of an out-of-state broker-dealer subsidiary should be included in the bank’s sales factor for apportionment purposes.
- Won a lead entertainment industry case before the Indiana Tax Court challenging the Department of Revenue’s controversial use of an audience factor in apportioning income.
- Achieved victories before the Oregon Tax Court and Oregon Supreme Court on the sourcing of sales of electricity and natural gas for apportionment purposes for a foreign-based energy wholesaler.
- Secured withdrawal of a \$49 million corporate income/franchise tax assessment for a global Fortune 50

Pillsbury SALT has advised and represented over 50% of the Fortune 100.

conglomerate by arguing our client was owed a refund of \$20 million.

- Successfully represented a global Fortune 20 technology company in a groundbreaking California appellate case involving taxation of foreign dividends and interest expense deductions in a water's-edge setting.
- Successfully eliminated \$300 million in tax liability for a Fortune 20 energy company involving complex special apportionment rules in an income tax dispute before the California Franchise Tax Board.
- Defeated a \$13 million assessment of tax and interest in a unitary combination case for one of the country's largest automotive retailers.
- Successfully reduced personal income tax assessments of \$37 million by 90 percent at the protest level in a California residency case.
- Secured a victory before the California Court of Appeal for a Fortune 50 health care services company confirming that embedded software is not subject to property taxation.
- Secured sales tax refunds in excess of \$40 million for a Fortune 50 telecommunications company on claims involving technology transfer agreements post-Lucent.
- Successfully represented a global Fortune 50 pharmaceutical manufacturer by resolving tax disputes totaling over \$100 million, spanning 12 years and arising from unitary combination, characterization of income, apportionment and credit utilization issues.
- Won an issue of first impression at the California Court of Appeal confirming that California property tax law does not require a centrally assessed taxpayer to sue all counties in which it owns property to maintain a refund action.
- Achieved New York Division of Tax Appeals victory against the NY Division of Taxation, convincing the tribunal to reverse seven years' worth of sales tax assessments against client on the grounds that the services sold were not taxable information services.
- Successfully represented Fortune 100 pharmaceutical company in a California tax dispute involving complex apportionment, foreign investment interest offset and income classification issues, reducing assessments by 75 percent.

Clients

We are the SALT planning and litigation advisors to Fortune 100 companies, midcaps, startups and high-net-worth individuals. We represent companies in virtually all industries, including energy, technology, manufacturing, financial services, life sciences, real estate, transportation, retail, newspapers, publishing and education.

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| • Apple | • Lyft |
| • AT&T | • McKesson |
| • Cantor Fitzgerald | • Medtronic |
| • Chevron Corporation | • Microsoft |
| • Christie's | • Moody's |
| • Cisco | • Morgan Stanley |
| • The Coca-Cola Company | • MUFG Union Bank, N.A. |
| • DIRECTV | • Pfizer |
| • Dolby Laboratories | • Samsung Semiconductor |
| • General Electric | • Stanford University |
| • General Mills | • Universal Music Group |
| • Fidelity National Information Services | • Vivendi |
| • Johnson & Johnson | • The Walt Disney Company |
| | • Walmart |

About Pillsbury

Pillsbury Winthrop Shaw Pittman LLP is an international law firm with a particular focus on the technology & media, energy, financial services, and real estate & construction sectors. Recognized by legal research firm BTI Consulting as one of the top 20 firms for client service, Pillsbury and its lawyers are highly regarded for their forward-thinking approach, their enthusiasm for collaborating across disciplines and their authoritative commercial awareness.

ATTORNEY ADVERTISING. Results depend on a number of factors unique to each matter. Prior results do not guarantee a similar outcome.

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