

Tax

Winstead tax clients are companies that are in motion—doing deals, buying or selling assets, succession planning, and acquiring or merging with companies. Typically serving as well-informed business advisors who aren't afraid of giving clear, concise advice, our attorneys analyze opportunities to maximize asset values while minimizing state, federal and international taxes.

We are known by our many repeat clients as people who get the job done—smart attorneys who understand the nuances of business, know how to communicate and don't hesitate to move engagements forward with workable answers to problems. Because of our bottom line approach, Winstead also readily proposes alternative fee arrangements that are aligned with what the client wants to accomplish.

CEOs, CFOs and other key executives have critical decisions to make during the life cycle of their business. Clients tell us that Winstead is the firm they want when they are pursuing rapid growth, working to exploit asset value and when they are ready to wind-down and get their money out.

Featured Client Stories

A Win/Win for buyer and seller

Our client's opportunity: We represented an individual who was the sole shareholder of a very valuable S Corporation that operated a licensed facility in the healthcare space. Our client wanted to sell this company—and a buyer wanted to purchase it, including the license it held. But the buyer was willing to pay more if the purchase was treated as an "asset purchase" rather than a purchase of corporate stock (so that the buyer could step up the basis of the assets of the company to equal the purchase price paid). In addition, as part of the acquisition price, our client was to receive equity in the buyer, and we wanted this equity to be tax-free to our client.

Winstead approach and solution: We worked to achieve the objectives of both the selling shareholder and the buyer. That is, to keep the company holding the license intact, to effect an "asset purchase" by the buyer such that the tax basis of the assets could be stepped up based on the cash purchase price being paid by the buyer, and to allow our client to effectively receive equity in the buyer on a tax-free basis. These objectives were achieved through the following steps:

- Our client formed a new S Corporation;
- Our client transferred his shares in the company to the new S Corporation and made an election for the company to now be treated as a "QSUB;"
- Our client converted the company into a limited liability company, which could be done on a tax-free basis because it was a QSUB;
- The buyer paid cash for a portion of the LLC, which allowed the buyer to step up the basis of its share of the assets of the company; and
- The new S Corporation, which was wholly owned by our client, transferred the remaining interest in the LLC to the buyer in exchange for equity in the buyer on a tax-free basis.

Outcome: Under the new structure, both parties' objectives were satisfied.

Snapshot of Tax Strengths

With deep tax experience and a keen understanding of how business gets done, Winstead is the right choice for executives who are tired of not getting the succinct answers they need to propel them forward. Come to Winstead to explore how we handle the following:

- Administrative Appeals and Litigation
- IRS Appeals
- Tax Court, District Court and Claims Court Litigation

- Texas District Court Litigation
- Bankruptcy and Workout Matters
- Reorganizations and Restructures
- Debt Modifications and Discharges
- Exclusions, Timing and Planning
- Distressed Debt Acquisitions
- Corporate Planning
- Mergers and Acquisitions
- Tax Free Reorganizations and Recapitalizations
- Debt Issuances and Financial Products
- Net Operating Loss Utilization
- Consolidated Returns
- Formations and Start-Up Companies
- Subchapter S Corporations
- Energy
- Acquisitions and Dispositions
- Joint Ventures
- Operating Agreements
- Exploration and Production
- Executive Compensation
- Options
- Restricted Stock
- Phantom Equity
- Profits Interests
- Private Equity Funds
- Real Estate Funds
- Hedge Funds
- Royalty Funds
- International Structures and Transactions
- Formation Planning
- Inbound and Outbound Transactions
- Partnerships (and Limited Liability Companies)
- Leveraged Partnerships
- Disguised Sales
- Convertible Debt
- Conversions, Mergers and Divisions
- Special Allocations
- Real Estate
- Like Kind Exchanges
- Capital Gain Planning
- Development Projects
- Foreign Investment in US Real Property
- REITs and REMICs
- State Tax Matters
- Franchise Tax Planning
- Sales and Use Tax Planning

- Ad Valorem Tax Matters
- Tax Credits
- New Markets
- Rehabilitation
- Low Income Housing
- Tax Exempt Organizations and Private Foundations
- Operational Issues
- Unrelated Business Taxable Income
- Prohibited Transactions
- IRS Private Letter Rulings

Next Steps

You will find that all the attorneys in our tax group bring a natural business sense to transactions. They offer a grounded, in-the-business-world approach that ensures client matters are managed efficiently. For tax attorneys that help you build momentum, call Winstead.