



Hugh Wesley Goodwin

Partner

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Hugh Goodwin advises clients regarding state and local tax matters, including the taxation of digital economy transactions.

He is experienced in tax planning and tax controversy representation throughout the audit and appeal process in sales and use tax matters, including the taxation of services and the imposition of tax collection obligations on remote sellers and marketplace facilitators. Mr. Goodwin also advises franchisors and other clients on income tax and gross receipts tax matters, including economic nexus issues and the multi-state apportionment of services and intangibles.

A significant amount of Mr. Goodwin's current practice involves developing strategies for e-commerce businesses to navigate the impact of traditional and new generation state tax laws to their operations. In this regard, Mr. Goodwin counsels among others, cloud computing providers, platform operators, video game developers, and manufacturers, including motor and electronic vehicle manufacturers, regarding the nuances associated with the application of state tax laws to their multi-state and multinational structures and selling operations.

Hugh also works closely with DLA's international tax team to synergize state and international tax planning opportunities for clients organized in the United States and overseas, including providing advice on the application of state taxes to digital advertising services, the sale of digital products and the cross-border, intercompany supply of goods and services. Mr. Goodwin also frequently represents clients in state tax controversy matters, including the filing of refund claims and preparation of responses to audit assessments.

- Tax
- International Tax Counsel
- Tax Controversy and Disputes
- Corporate
- Transactional Tax Planning

Recent Matters

- Represented major telecommunications service provider in US\$24 million California income apportionment dispute
- Obtained a favorable result in a Texas unitary business hearing that overturned the original audit assessment
- Obtained a complete reversal of an audit assessment in a Washington sales tax and business and occupations tax dispute involving an out-of-state telecommunications business
- Assisted a manufacturer of electronic vehicles with US state income tax planning
- Revised existing operational structure to minimize sales and use tax collection obligations for company engaged in e-commerce marketplace transactions

- Developed legal analysis and strategy to support sales and use tax nexus position of nationwide consumer equipment seller engaged in online and in-store transactions
- Analyzed tax issues for successful appeal of a small business stock case before the California Supreme Court
- Assisted California equipment wholesaler with structure of distributor/reseller arrangements to minimize state sales tax collection obligations
- Counseled a major retailer in the formation of an intangible holding company and establishment of a gift card program to maximize unclaimed property benefits
- Obtained a favorable settlement in a US\$2 million California tax dispute regarding the unitary nature of a taxpayer's commercial technology and government contracting businesses
- Developed a position for telecommunications equipment manufacturer in opposition to auditors position regarding impact of stock option exercise by employee spouse on state income tax apportionment factors
- Advised a California software provider on the tax ramifications of establishing software development operations in other states
- Prepared a successful tax appeal in a case before the California State Board of Equalization for defense contractor concerning business/nonbusiness income characterization arising from the sale of stock
- Successfully represented a taxpayer in a dispute before the California State Board of Equalization regarding inadequate taxpayer notification of an assessment by the Franchise Tax Board
- Represented a husband and wife in a successful multi-million dollar California residency tax dispute

CREDENTIALS

Admissions

- California

Recognitions

The Legal 500 United States has recognized Hugh for his tax work. He is "responsive, interested in the business and the problem at hand, and very good to work with on a personal basis."

Education

- J.D., University of California, Los Angeles 1986
- B.S., University of California at Berkeley 1981
magna cum laude
Business Administration, Phi Beta Kappa

Memberships

- State Bar of California, Taxation Section
- American Bar Association, Taxation Section
- California Taxpayers' Association
- Broadband Tax Institute
- Information Technology Association of America
- Council on State Taxation

INSIGHTS

Publications

US: Food service delivery becomes more taxing

6 August 2021

Law à la Mode

The tax consequences of using an app to order a pepperoni pizza for delivery are getting more complex by the day. Not necessarily for the customer, but certainly for meal delivery service providers.

Are taxes leaner on the other side of the fence? State tax lessons learned from ex-Californians

2 June 2020

dlapiperaccelerate.com

- "'Quill' Pickle? How 'Wayfair' Could Undermine Some State Sales Tax Economic Nexus Provisions," Bloomberg BNA, June 27, 2018
- "Prudent planning helps minimize state tax liabilities," *Franchising World*, August 2012

Events

Previous

State and local taxes amid COVID-19

30 April 2020 | 12:00 – 1:00 EST

Tax – Continuing Education Webinar Series

Webinar

- Panelist, "State Tax Responses to Tax Planning Structures," UC Hastings Business Law Journal Tax Symposium, April 1, 2016
- Moderator, "State Tax Update and Strategies for Dealing with the Changing State Tax Landscape," IFA Legal Symposium, Washington, DC, May 2012