



Transactional Tax Planning

Throughout the world, DLA Piper offers our clients sophisticated, innovative and creative tax and business planning advice in connection with domestic and multi-jurisdictional transactions and investments.

The transactional tax practice at DLA Piper benefits from the diversity of our clients, the range of our cross practices and our global presence. Tax planning is a critical element of almost every transaction and investment and offers an opportunity to add value and minimize financial risk. The transactional tax practice works closely with clients including major multinational corporations, sovereigns and their controlled investment entities, large pension funds, private equity and hedge funds, investment and commercial banks, real estate funds and companies, sports and entertainment companies, large non-US investors and tax-exempts. Few law firm tax departments work with the diversity of practices, or enjoy the breadth of experience and geographic reach, as we do. Our accumulated knowledge of the latest developments enables us to efficiently serve our clients' interests. We represent clients both on the investor and sponsor side and on the buy or sell side, bringing further value to deals.

The transactional tax team is committed to advancing transactions to meet the objectives of our clients. In doing so, we often collaborate with our clients' internal tax and accounting departments, as well as outside accounting firms, to design the most advantageous structure yielding optimal after-tax results, lowering effective tax rates or otherwise achieving our clients' commercial and tax specific goals. Because of our extensive experience, we can help build a consensus on the best approach, and we are prepared to support our conclusions with contemporaneous written advice that supports the anticipated tax treatment.

CAPABILITES

Mergers, Acquisitions and Divisions

Our transactional tax planning lawyers represent public and private companies, both large and small, in negotiating and structuring acquisitions, divestitures, issuer and third-party tender offers, joint ventures, leveraged buyouts, mergers, recapitalizations, spinoffs and other corporate restructurings. We work to design the most effective structure to accomplish the business objectives of our clients while minimizing overall tax costs.

Private Equity Investment and Fund Formation

KEY CONTACTS

Gerald Rokoff

Partner
New York
T: +1 212 335 4535
gerald.rokoff@dlapiper.com

Stacy M. Paz

Partner
Silicon Valley
T: +1 650 833 2066
stacy.paz@dlapiper.com

Jacques Wantz

Partner
Luxembourg
T: +352 26 29 04 2635
jacques.wantz@dlapiper.com

- Finance
- International Trade, Regulatory and Government Affairs
- Real Estate
- Restructuring

- Insurance

We advise individuals and businesses on various aspects of private investment, typically helping with the tax implications – for the management team and other employees – of acquiring shares in the acquiring entity or group; determining the optimum fund and investment structure; minimizing the operating tax costs for the acquiring entity/group and the target group; and taking account of the tax regime in particular jurisdictions. DLA Piper lawyers are knowledgeable in all aspects of fund formation and work with our clients to structure tax-efficient transactions, both at the fund level and the portfolio investment level.

Insurance

DLA Piper advises insurance companies on the tax considerations in a wide range of insurance related transactions including reserve financing transactions (employing alternate structuring techniques), captive insurance arrangements, formation of funds making predominantly insurance-linked investments, structuring catastrophe bonds and event-linked derivatives, side-car investments, segregated cell investments and other equity investments with an insurance component. We advise public and private insurance companies operating in both the life and property and casualty sectors in structuring mergers and acquisitions, financings and restructurings in a tax-efficient manner. We have significant experience advising clients on all aspects of avoiding the creation of a taxable presence in the United States, mitigation of effectively connected income, utilization of tax treaties and favorable law to eliminate incidences of the federal excise tax on insurance premiums and compliance with withholding and reporting obligations, including under FATCA.

Partnerships, LLCs and Syndications

Our lawyers recommend that clients use such pass-through entities as partnerships and limited liability companies in a variety of business contexts, both for individual and for corporate ventures. We are experienced in public offerings and private placements involving a variety of limited partnerships. We are also familiar with the special issues of publicly traded partnerships pass-through status.

Bankruptcies, Workouts and Restructurings

DLA Piper tax lawyers have extensive experience working with our Restructuring group on the unique tax issues of troubled and insolvent corporations and other entities. We advise both debtors and creditors in the acquisition, disposition, restructuring and bankruptcy of financially troubled companies. We meet our clients' needs by assisting in all phases of a restructuring (both inside and outside of bankruptcy), including advising in connection with debt modifications, planning to manage sales, transfer and employment tax liabilities, interfacing with the IRS and other tax authorities in obtaining rulings and closing agreements as needed and structuring tax efficient reorganization plans (and drafting the related disclosure statements), including evaluating and designing structures to retain tax attributes.

Media, Sports and Entertainment

Our tax lawyers work closely with our attorneys in the media, sports and entertainment sector to provide advice on the tax-related aspects arising in the context of sports team acquisitions and dispositions (and the related intangibles) as well as financings of large public and private sports stadiums and arenas. Our representations have spanned from leagues, clubs and franchise owners to sponsors, investors, banks and other lending entities.

Emerging Growth and Venture Capital

DLA Piper has a substantial emerging growth and venture capital practice devoted to technology companies engaged in such areas as telecommunications, software, hardware and biotechnology. Our tax lawyers advise owners and investors on such tax-planning issues as choice of entity (in order to the best tax and business objectives), utilization of tax attributes, tax-efficient compensation and incentive awards, structuring and implementing financings, and optimum structures for facilitating exit strategies.

Real Estate

DLA Piper advises business clients, including investment banks, opportunity and private equity funds, pension funds, bank affiliates, real estate entrepreneurs, home builders, developers, foreign and domestic investors and real estate investment trusts, in all tax matters affecting real estate. In addition to choice-of-entity issues, we structure low-income housing credit and other tax-favored partnerships, negotiate purchases and sales of individual properties and large portfolios and structure investments by tax-exempt and foreign

investors to avoid establishing a US tax nexus. We work closely with our clients in planning tax-deferred like kind exchanges, including parking transactions and reverse exchanges, and in implementing financings and sale-leasebacks.

Leverage Lease and Other Financing Transactions

DLA Piper represents lessors and lessees in structuring both domestic and international leveraged lease transactions of equipment (such as aircraft, railcars and vessels), real estate and power plants. We also draft the documents, including tax indemnity agreements, necessary to ensure that our clients receive their proper tax benefits. In addition, we have experience structuring financing transactions to preserve tax benefits while achieving our clients' accounting and economic objectives.

Capital Markets, Derivatives, Securitizations and Financial Products

We represent both domestic and international issuers as well as leading securities firms and underwriters in debt and equity capital markets transactions. We also have substantial experience dealing with a broad range of financial products, including options, swaps, notional principal contracts, foreign currency contracts, hedges and collars. We advise on the tax-efficient use of SPVs in securitization transactions and assist in structuring, documenting and executing complex, tax-advantaged domestic and international transactions and products.

EXPERIENCE

- Served as tax counsel in numerous domestic and multi-jurisdictional mergers or acquisitions (supporting the firm's #1 Mergermarket ranking for global M&A activity, 2015-2010)
- Advising a private equity firm in a global acquisition utilizing an innovative global partnership structure resulting in the creation of the largest independent global pigment dispersion platform
- Advising the world's #1 nonfiction media company in two high-profile, multi-jurisdictional acquisitions of TV and radio businesses in Northern Europe and in Western Europe
- Acting on the structuring and disposal of a pan-European operating lease business with a substantial market share balancing the US tax considerations of the seller with local country tax requirements
- Advising on the restructuring of the European sub-group of a major US financial institution involving the establishment of a UK holding company for the regulated activities of the sub-group
- Advising on the implementation of tax-efficient management incentive arrangements in the context of a recent IPO

INSIGHTS

Publications

House tax proposal: significant statutory changes include raising corporate rate, overhauling international taxation system

21 September 2021

While the Senate is likely to cut back on some of the proposals, tax increases for business and individuals are expected to be enacted by Thanksgiving.

LatAm: Tax authorities address negative effects of the pandemic on national coffers

12 August 2021

The tax authorities' revenue-generating approaches vary from incentives to additional taxation.

IRS concludes Section 1031 tax-deferred "like-kind" exchange treatment is not available for cryptocurrency

trades

19 July 2021

It seems reasonable to assume that the IRS will apply its analysis to most cryptocurrencies.

Saudi Arabia extends tax amnesty scheme enabling international groups to regularize historic tax exposure

1 February 2021

An increasing number of international taxpayers are using the KSA scheme.

German implementation of EU Mandatory Disclosure Rules (DAC6)

10 November 2020

With the Act on the Introduction of an Obligation to Notify Cross-border Tax Arrangements of 21 December 2019, DAC6 was transposed into national law.

Oman introduces VAT: A law firm's perspective

22 October 2020

Prudent businesses operating in Oman are already planning for the implementation of Omani VAT and have started reviewing their legal arrangements and contracts.

UAE overhauls Economic Substance Regulations

3 September 2020

The first ESR Report filing deadline is December 31, 2020.

Private equity: Guide to key management tax issues in Europe

6 July 2020

UAE economic substance - self-assessment notification deadline fast approaching

13 May 2020

It would be prudent for UAE entities to assume a deadline of June 30, 2020.

COVID-19 Phase 4 federal legislation – UPDATE

21 April 2020

Time is of the essence and the plan is to have a draft Phase 4 COVID-19 relief bill ready by the end of April.

90-day deferral for US federal income tax payments

20 March 2020

Those who decide to defer their federal tax payments will be able to do so on a penalty-free and interest-free basis, with penalties and interest beginning to accrue for payments submitted after July 15, 2020.

Italy's new Digital Services Tax is now in force

11 February 2020

Not all digital services will be taxed – only those entailing a high degree of users' involvement in value generation.

Supply chain planning in the post-BEPS era: five questions for MNEs

22 JUL 2015

After BEPS actions are incorporated into OECD documents and local legislation, tax planning opportunities will still exist, but realizing the benefits of tax planning will require a greater emphasis on economic substance. One often-overlooked area of opportunity is tax-efficient supply chain planning.
