OREGON STATE BAR

Taxation Section

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Previous newsletters are posted on the Taxation Section website.

McLane and Fisher v. Department of Revenue and the Aftermath*

*By Larry Joseph Brant***

I. Historical Perspective

Historically, Oregon law has allowed taxpayers (for Oregon income tax purposes) to defer recognition of gain upon completion of a like kind exchange of property or an involuntary conversion of property, provided the requirements of IRC §§ 1031 or 1033 were met, and:

- The relinquished property and the replacement property were both located within Oregon; or
- The relinquished property was located outside Oregon. See ORS 314.290(1)(a) and (b).

Until recently, if the relinquished property was located within Oregon, and the replacement property was located outside of Oregon, for Oregon income tax purposes tax deferral was only allowed if:

- The taxpayer was a resident individual, estate, or trust; and
- The taxpayer made a separate Oregon election which met the requirements set forth in OAR 150-314.290(1)(d).

If a resident individual made a proper election, but later became a non-resident, for Oregon income tax purposes, the deferred gain was recognized (i.e., became taxable) when the taxpayer became a non-resident. ORS 314.290(2)(b)(A). See also, OAR 150-314.290(1)(d)(A). Likewise, if a resident individual made a proper election, but the deferral, for federal income tax purposes, ceased for any reason (e.g. a disposition of property within two years of a related party like kind exchange), the deferral would also cease for Oregon income tax purposes. ORS 314.290(2)(b)(B).

An election was a statement which was attached to the taxpayer's Oregon income tax return for the year in which the exchange or conversion occurred.
The statement contained:

- The taxpayer's name;
- The taxpayer's social security number;
- The tax year in which the exchange or conversion occurred;
- The amount of deferred gain;
- The location of the relinquished property;
- The location of the replacement property; and
- The taxpayer's agreement to report the deferred gain in the tax year in which the taxpayer's status changes from resident to non-resident.

If property located in Oregon owned by a partnership or an S corporation was exchanged for or converted into property located outside of Oregon, provided the requirements of IRC §§ 1031 or 1033 were met, the partnership or S corporation could make the Oregon deferral

election under ORS 314.290 for each consenting resident partner or resident shareholder. See ORS 314.290(5). See also OAR 150.314-290(2). The entity was required to attach a separate election for each resident partner or resident shareholder to its Oregon Form 65 or Form 20S. Electing resident partners or resident S corporation shareholders who later became non-residents, however, were required to report their respective share of the deferred gain in the year in which they became non-residents of Oregon.

Non-resident partners and non-resident shareholders were ineligible for the Oregon deferral election. Also, C corporations were ineligible for the Oregon deferral election.

This law was enacted before limited liability companies and limited liability partnerships were introduced into Oregon law in 1993 and 1995, respectively. Consequently, it did not specifically address these business entities.

Because a limited liability partnership is generally considered to be a partnership for federal income tax purposes and is a partnership under Oregon law, its resident partners presumably qualified for the Oregon deferral election. Using this logic, it was presumed that the non-resident partners of a limited liability partnership did not qualify for the Oregon deferral election. Unfortunately, Oregon law did not directly address these issues.

A limited liability company with two or more members is generally considered to be a partnership for federal income tax purposes, but it is neither a partnership nor an S corporation for state law purposes. Consequently, it was not clear under Oregon law whether the resident members of a limited liability company qualified for the Oregon deferral election. Most practitioners believed, even though the law was silent, that resident members of a multi-member limited liability company qualified for the Oregon deferral election, while non-resident members did not qualify for the election.

A single-member limited liability company is generally treated as a disregarded entity and ignored for federal income tax purposes. Consequently, most practitioners believed, even though the law was silent, that a resident member of a single-member limited liability company qualified for the Oregon deferral election, while a non-resident member of a single-member limited liability company did not qualify for the election.

II. *McLane and Fisher v. Department of Revenue,* Magistratrate Division of the Oregon Tax Court, No. 99033ZC (February 13, 2001)

In *McLane and Fisher*, the taxpayers, while residents of Colorado, completed an exchange of real property which otherwise qualified for tax deferral under IRC § 1031. The relinquished property was located in Oregon, but the replacement property was located outside of Oregon. On their return, the taxpayers took the position that ORS 314.290(2)(b), despite its clear language, was not limited to Oregon residents. The Oregon Department of Revenue ("Department") disagreed with the taxpayers and issued a notice of delinquency. The taxpayers filed a complaint in the Magistrate Division of the Oregon Tax Court.

The taxpayers challenged the constitutionality of Oregon residency election for tax deferral contained in ORS 314.290. Specifically, the taxpayers alleged that ORS 314.290 violated:

- The Privileges and Immunity Clause of the United States Constitution (Article IV, Section 2);
- The Commerce Clause of the United State Constitution (Article I, Section 8);
- The Equal Protection Clause of the United State Constitution (XIV Amendment);
- Article I, Section 32 of the Oregon Constitution; and
- Article IX, Section 1 of the Oregon Constitution.

The court considered the state constitutional claims before reviewing the federal constitutional claims. It looked at whether ORS 314.290 violated Oregon's "Uniformity Clauses" which are contained in Article I, Section 32 and Article IX, Section 1 of the Oregon Constitution.

The court noted that the justification for disparate treatment of residents and nonresidents of the state under ORS 314.290 does not need to be significant. In fact, quoting the Oregon Supreme Court in *Huckaba v. Johnson*, 281 Or. 23, 26, 573 P.2d 305 (1978), the court stated:

"What is required in assessing a constitutional challenge to classification for tax benefit is a review of the grounds for the classification to determine if it rests upon a rational basis. The legislature may make distinctions of degree having a rational basis, and when subjected to judicial scrutiny they must be presumed to rest on that basis if there is any conceivable state of facts which would support it."

As justification for the disparate treatment in the instant case, the Department argued that it is more difficult for the state to collect taxes from nonresidents than it is from residents. Consequently, if nonresidents were allowed to defer gain recognition where the replacement property in an IRC §1031 or IRC §1033 transaction is located outside of the state, the Department would have difficulty collecting the tax resulting from a subsequent taxable disposition of the property. The Department further asserted that removal of the disparate treatment would result in a significant loss of revenue for the state.

While the taxpayers took exception to the Department's argument, the court concluded, given the legislature's broad discretion granted it under the "Uniformity Clauses," the law did not violate either Article I, Section 32 or Article IX, Section 1 of the Oregon Constitution.

Next, the court looked at the taxpayers' argument that ORS 314.290 violated the United States Constitution. Its analysis began and ended with a review of the Privileges and Immunity Clause contained in Article IV, Section 2 of the United States Constitution.

The court noted that the purpose of this provision of the United States Constitution is to place the citizens of each state on equal footing. Consequently, a state may not generally impose a tax scheme which, in practice, causes nonresidents to pay higher taxes than its residents.

The Privileges and Immunity Clause bar against discrimination is not absolute. Citing the United States Supreme Court in *Toomer v. Witsell*, 334 U.S. 385, 396, 68 S.Ct. 1156 (1948), the court stated that discrimination is not prohibited where:

- There exists a "substantial" reason for the disparate treatment; and
- The discriminatory practices toward nonresidents bear a "substantial" relationship to the state's objective.

The Department first argued that ORS 314.290 does not actually result in disparate treatment of residents and nonresidents. It claimed that both nonresidents and residents pay the same state income tax on gain resulting from the disposition of property. Rather, it asserted that the only difference in treatment between the two groups of taxpayers is a timing question: when the tax is actually due and payable. For nonresidents who receive out of state replacement property, the tax is generally due for the tax year in which the exchange or conversion occurs. For residents who receive out of state replacement property, the tax is generally due for the tax year in which the replacement property is ultimately disposed of in a taxable transaction or the resident becomes a nonresident.

The taxpayers pointed out a huge flaw in the Department's argument. While the effect of ORS 314.290 may technically be only a timing difference in the payment of taxes, as every tax lawyer knows, *timing matters*. The taxpayers argued that the statute gave residents at least two benefits which were denied to nonresidents, namely:

- The time value of money created by the gain deferral; and
- The potential to totally avoid the state income tax altogether by dying prior to a subsequent taxable event (e.g. taxable disposition of the replacement property).

The Department next argued that even if ORS 314.290 were discriminatory, it is not unconstitutional because its purpose is to lessen the difficulty of collecting taxes from nonresidents. The Department, however, failed to offer any persuasive evidence to support the conclusion that it is more difficult to collect taxes from nonresidents than it is from residents. Consequently, the court held that the Department did not present a "substantial" reason for the disparate treatment. Given that conclusion, the court ruled that ORS 314.290 violated the Privileges and Immunity Clause of the United States Constitution.

Because the Privileges and Immunity Clause analysis disposed of the entire case, the court did not review the taxpayers' claim that ORS 314.290 violated the Commerce Clause and the Equal Protection Clause of the United States Constitution. Instead, the court focused its attention on an appropriate remedy.

The court was faced with two remedial choices, namely:

- To expand the deferral election under ORS 314.290 to apply to nonresidents; or
- To sever the deferral election altogether from the statute.

The court concluded it did not possess the authority to expand the statute. Thus, the court was forced to strike the offending portion of ORS 314.290 allowing residents the deferral elections in an exchange or involuntary conversion which qualified for tax deferral under federal law and where the relinquished property was located in Oregon and the replacement property was located outside of Oregon. ORS 314.290(2)(b).

If the court's decision were allowed to stand, neither residents nor non-residents of Oregon who exchanged property located in Oregon for property located outside of Oregon, or who replaced involuntarily converted property located in Oregon with property located outside of Oregon, would qualify for deferral of Oregon income taxes.

The court determined that this remedy, by itself, would be ineffective to alleviate the harm that had already been caused by the history of disparate treatment of residents and non-residents since the enactment of ORS 314.290 in 1991. Consequently, to help resolve this harm, the court enjoined the Department from pursuing the deficiency against the taxpayers until it could demonstrate that it had remedied this pattern of disparate treatment. The court suggested that the available options to remedy the disparate treatment would be to either:

- Allow non-residents who exchanged Oregon property for, or converted Oregon property into, non-Oregon property to file amended returns and elect to defer their gain (and presumably receive refunds of taxes already paid); or
- Collect the tax from residents who exchanged Oregon property for, or converted Oregon property into, non-Oregon property and elected to defer their gain.

III. Department of Revenue Response to *McLane and Fisher*

The Department announced that it would not appeal *McLane and Fisher*, but would instead seek redress in the Oregon Legislature. One can only suspect that the Department's analysis was that, as a result of this case, the Department simply lost the tax revenue from the disposition of one property by one pair of non-resident taxpayers. While other similarly situated non-residents of Oregon could now possibly file suit to claim a refund of

taxes paid because ORS 314.290(2)(b) was stricken as unconstitutional, it would be unlikely that many of them would do so before the running of any applicable statute of limitation. Even if a few taxpayers did actually file a suit for refund, defending the suits would probably be less expensive for the Department than either of the options offered by the court.

The Department kept its promise. It did not appeal the case. Rather, it presented a bill before the 2001 Oregon Legislature to extend the Oregon deferral election to both residents and non-residents of Oregon.

IV. HB 2206— The Aftermath of *McLane and Fisher*

HB 2206 is the legislative response to *McLane and Fisher*. It repeals ORS 314.290 in its entirety. HB 2206 became law on October 6, 2001.

In accordance with §15 of the bill, resident and nonresident individuals, estates, trusts, partnerships, and limited liability companies may defer the gain for Oregon income tax purposes on transactions meeting the requirements of IRC §§ 1031 or 1033, even though the qualified replacement property is located outside of Oregon. Upon the disposition of the replacement property in a transaction in which gain or loss is recognized for federal income tax purposes, such gain or loss must also be recognized for Oregon income tax purposes. This new provision is contained in ORS 316.738.

In accordance with § 17 of the bill, corporations may elect to defer the gain for Oregon income tax purposes on transactions meeting the requirements of IRC §§ 1031 or 1033 even though the replacement property is located outside of Oregon. Upon the disposition of the replacement property in a transaction in which gain or loss is recognized for federal income tax purposes, such gain or loss must also be recognized for Oregon income tax purposes. Unlike the old law, both S and C corporations are now eligible for the Oregon deferral election. This new provision is contained in ORS 317.327.

Most practitioners envisioned that the Department would require taxpayers, resident and nonresident alike, to prepare and file a separate Oregon election to obtain state income tax deferral when the replacement property is located outside of Oregon. No separate election form for Oregon tax deferral, however, exists today.

In the case of individual taxpayers, they are currently under no requirement to file a separate Oregon election. In fact, individual taxpayers are not even required to attach IRS Form 8824 to their Oregon income tax returns. The current instructions for both Oregon Form 40 and 40N provide that the taxpayer is required to file an Oregon return and report gain to the state in the tax year the gain is finally recognized for federal income tax purposes.

In the case of corporate taxpayers, both S and C corporations are required to check a box on the face of the Oregon tax return and attach a copy of IRS Form 8824. Like individual taxpayers, no separate Oregon election is currently required to be filed by corporate taxpayers. The instructions for both Oregon Form 20 and 20S provide that the taxpayer will be required to report the deferred gain and pay the corresponding Oregon income tax when the gain is recognized for federal income tax purposes.

A representative of the Analysis and Policy Unit of the Department recently informed this author that, commencing with 2002 individual income tax returns, individuals will most likely be required to attach to their Oregon income tax return either a separate Oregon election form or IRS Form 8824. The Department has not yet decided which option it will choose. With respect to corporate taxpayers, the Department does not envision any change in its compliance policies since IRS Form 8824 is already attached to corporate tax returns.

Even with some form of election attached to all Oregon tax returns, insuring compliance may be problematic for the Department. It is quite possible that the Department will require taxpayers who make the election to annually provide it with a written update showing current ownership status of the replacement property. In fact, ORS 316.738(3) and 317.327(3) allow the Department to require taxpayers to file annual reports, and give the Department authority to adopt rules to implement this reporting requirement.

To date, the Department has not yet issued any rule requiring annual reports. In fact, a representative of the Analysis and Policy Unit of the Department recently informed this author that he did not expect the Department to issue any rules dealing with annual reporting. This may change in the future, however. Annual reporting would surely assist the Department in alleviating compliance problems.

V. Conclusion

The new law applies to tax years beginning on or after January 1, 1998 and any tax year for which an amended return may be filed on or after October 6, 2001. Practitioners need to consider whether any of their clients may be able to amend returns in order to take advantage of the new law. If a taxpayer, who was ineligible for the Oregon deferral election under old law, completed a transaction which otherwise qualified for tax deferral under IRC §§ 1031 or 1033, the taxpayer may now be able to file an amended Oregon return and obtain an Oregon income tax refund. Consequently, practitioners should promptly review the files of all of their clients who have entered into transactions qualifying for tax deferral under IRC §§ 1031 or 1033. Prompt action, to avoid the expiration of the statute of limitations, is necessary.

*An earlier version of this Article was published in the *Oregon Certified Public Accountant* (November 2001).*

**Garvey, Schubert & Barer, Portland

"Pick Up Tax" Pitfalls

*by Katherine O. VanZanten**

The Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA") created both planning opportunities and potential pitfalls for practitioners. Practitioners need to be aware of the changes EGTRRA made to the state death tax credit. EGTRRA reduces the state death tax credit available on federal estate tax returns.

Oregon inheritance tax law currently provides that an Oregon inheritance tax return must be filed if a federal estate tax return is required. Accordingly, in 2002, Oregon inheritance tax returns are not required for individuals who died in 2002 with an estate valued at $1,000,000 or less.

However, Oregon law does not necessarily mirror the increase in the applicable exclusion amount under federal estate tax law. This can result in different applicable exclusion amounts for the federal estate tax and the Oregon inheritance tax. While both practitioners and the Oregon Department of Revenue ("ODR") have long assumed that Oregon law tracked federal law for purposes of the applicable exclusions, the ODR has learned that the federal exclusion amounts for 1998, 1999, 2000 and 2001 may not be applicable in Oregon. If so, the Oregon exemption amount would relate back to the federal amount in effect prior to the Taxpayer Relief Act of 1997, i.e., $600,000. At this point, the ODR is uncertain if Oregon law is tied to the federal tax laws in effect prior to 1997. One of the oddest effects of this is that because the applicable exclusion amount under Oregon law may not mirror the increase in the applicable exclusion amount under federal law, an estate may owe Oregon inheritance tax even though it is not required to file an Oregon inheritance tax return.

In April 2002, the ODR issued a policy statement regarding the administration of the Oregon inheritance tax. For estates required to file a federal estate tax return, there are three options with regard to filing an Oregon inheritance tax return:

- File using the instructions on the Oregon Inheritance Tax Return. The instructions presume that the provisions of Taxpayer Relief Act of 1997 are adopted. However, because Oregon has not adopted the provisions of the Taxpayer Relief Act of 1997, it would be prudent of the estate to retain enough funds to cover any future tax liability;
- Request an extension to file an Oregon return until the Legislature resolves the issue; or
- File the Oregon inheritance tax return consistent with he law in effect prior to the Taxpayer Relief Act of 1997.

New Oregon inheritance tax forms should be available in fall of 2002. For estates valued at less than $1,000,000 which are not required to file a return, it will be difficult for the ODR to identify which estates owe any Oregon inheritance tax.

At this point, the ODR plans to submit legislation to tie Oregon law to the federal inheritance tax changes for deaths occurring after 1997. Practitioners should watch for any further guidance from the ODR regarding the Oregon inheritance tax laws. With any luck, the Oregon legislature will address the discrepancies between the federal estate tax laws and the Oregon inheritance tax laws during its next session.

**Sussman Shank LLP, Portland*

Tax and Estate Planning Considerations for Cohabiting Couples

By Valerie H. Sasaki and Su K. Suh***

It should come as no surprise to practitioners that close to 50% of American households do not contain a married couple. Single parents, same-sex couples, opposite-sex couples and other non-marital family arrangements challenge us to broaden our definition of family. As a result of this societal change, practitioners are required to understand some of the unique challenges and benefits regarding tax and estate planning for cohabiting couples. This article will provide a brief overview of various income and estate planning tips and traps for cohabiting couples and some general recommendations for advising unmarried couples.

Income Tax

Marital status may play a significant role in a client's tax liability because of differences in treatment for married and individual taxpayers. A so-called "marriage penalty" results when a married couple has two incomes and the two taxpayers are not able to maximize the standard deduction and lowest tax bracket. Similarly, a "marriage bonus" occurs for single-income married couples (or a couple with a high and a low income) who would not otherwise be able to take advantage of the non-income-producing spouse's standard deduction and lower marginal tax brackets. Additionally, the Earned Income Tax Credit has varying consequences depending on the marital status of the taxpayers. The Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) provides little immediate relief for the disparity in treatment of married and unmarried couples as the corrective provisions have delayed effective dates, gradual phase-ins up until 2009 and the corrective provisions will sunset in 2010. Accordingly, couples that have the option to become married are well advised to consider the tax implications of saying "I do."

Another issue is the taxation of employment-related benefits. Unlike treatment of health insurance benefits to

spouses, employers are obligated to report and withhold taxes on the fair market value of the domestic partner coverage. Domestic partner benefits may be considered non-taxable only if the domestic partner meets the IRS definition of a "dependent." Internal Revenue Code (IRC) Section 152 defines a dependent as someone who resides in the employee's household and who receives at least half of their support from the employee. There is an exclusion available in Oregon with respect to Oregon income tax: OAR 150-316.007-(B) allows taxpayers to exclude from Oregon taxable income certain fringe benefits to qualified same-sex domestic partners. If you are representing a modest income unmarried couple, consider having one of the individuals file as "head of household" filing status if the other individual can qualify as a "dependent". This allows them to take the earned income credit if their income is under the threshold, and allows them to take child and dependent care credits.

Estate Planning

For unmarried cohabitants, no estate planning can lead to devastating results. In Oregon and in Washington, if a couple is unmarried, the surviving partner is not entitled to inherit a portion of the decedent's estate by intestacy or to claim an elective share. Further, married couples in Washington are able to rely upon the fact that a surviving spouse has at least a fifty percent interest in the community's property. Unmarried cohabitants are not entitled to an interest in the property of the community, as the community is defined as a married couple.

Estate planning for unmarried couples, including same-sex couples, presents unique challenges for the practitioner. For federal estate tax purposes, married couples are entitled to an unlimited marital deduction. A similar deduction does not exist for unmarried couples. Additionally, for generation-skipping transfer tax purposes, the non-linear descendant rules will apply, resulting in unfavorable results unless proper planning is undertaken.

Attorneys for unmarried and same-sex couples have developed a variety of creative planning techniques. These include the use of traditional planning techniques, such as insurance planning, placing property in joint tenancy, creating a revocable trust with a pour-over will, and planned inter vivos gifts (although the gift tax may still apply). One particularly useful tool (for both married and unmarried couples) is the family limited liability company or domestic partnership. Clients that employ a domestic partnership arrangement can, by contract, receive many of the same economic rights as married couples. They can ensure for the well-being of their loved ones while taking advantage of some traditional estate planning strategies, such as valuation discounts. Assets such as personal residences and investment assets are perfectly suited to be held in partnership form. However, when setting up a domestic partnership, practitioners should make sure that they keep an eye out for the family partnership rules of IRC § 704.

Finally, practitioners should be sure to work with clients to assure that their estate plans stay up to date. When a married couple is divorced, their wills become void. When an unmarried couple decides to stop cohabitating, it usually does not end their estate planning arrangements. It is especially important to periodically review an unmarried couple's estate plan to ensure that it is consistent with the law in this dynamic area.

* *KPMG, Portland*
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Tax Court Update

by Judge Henry Breithaupt

I want to thank the newsletter committee of the Tax Section for providing the Oregon Tax Court with a regular opportunity to communicate with members of the Tax Section. The magistrates and I hope to use this forum to address news from the court and items of interest to practitioners. If there are questions or responses, please direct them to the court at: Oregon Tax Court, 1241 State Street, Fourth Floor, Salem, Oregon 97301-2563, or in the alternative the court's email address is: Tax.Court@ojd.state.or.us.

New Presiding Magistrate

Effective July 1, 2002, Jill Tanner became the presiding magistrate of the court's Magistrate Division. Scot Sideras, the first presiding magistrate of the court, will continue service as a magistrate. I want to publicly thank Scot for his service to the court in the first years of the Magistrate Division.

Jill Tanner has been a magistrate since the division started work September 1, 1997. Prior to her service as a magistrate, Jill, who is both a lawyer and certified public accountant, worked for several companies in Oregon in federal and state tax areas.

The change in presiding magistrate is the first in what is anticipated to be a series of rotations in which individuals who have served as magistrates will, for a time, serve as presiding magistrate for the court.

Rule Change

In the regular annual cycle, some amendments were made to the rules of both divisions of the court effective January 1, 2002. The revised rules are available on the court's website: www.ojd.state.our.us./tax. Of those amendments, perhaps of most interest is clarification that no motion for reconsideration is permissible after a decision has been filed in the Magistrate Division. See TCR-MD 17 B.

Also, TCR-MD 6 has been amended to clarify some basic points as to motion practice. With the exception of a motion for default, responses to motions are not due until after the first case management conference, if held. Also, please note that under TCR-MD 12 B, the party requesting a change in the time set for any proceeding has the responsibility for identifying alternative times acceptable to the other parties and submitting those proposed times to the court.

The court has just finalized a mid-year amendment to the rule on special designation of cases from the Magistrate Division to the Regular Division. TCR 1 C now specifies a petition procedure to be followed with appropriate notice to the parties or potential parties. Notice to the Department of Revenue is required where, as in property tax cases, special designation will result in the department becoming a party to a proceeding where it is not yet a party. Please note that if all parties agree on special designation they may join in a request for special designation and waive notice and rights to respond.

Pleading Values

Anyone litigating a property tax valuation matter should review *Chart Development Co. v. Department of Revenue*, ____ OTR ____, Case No. 4513 decided December 1, 2001. As discussed in that case, in light of statutory changes, the court will not find values outside the range defined by the pleadings of the parties. The pleadings considered would include pleadings amended to conform to proof.

So Long for Now

Thanks again to the newsletter committee. Stay in touch with the Oregon Tax Court at its website noted above.

Taxing Humor...

- ❖ If a lawyer and an IRS agent were both drowning, and you could only save one of them, would you go to lunch or read the paper?
- ❖ Having tax lawyers draft tax law is like having doctors make diseases.
- ❖ Golf is a lot like taxes — you drive hard to get to the green and then wind up in the hole.
- ❖ Isn't it appropriate that the month of the tax begins with April Fool's Day, and ends with cries of "May Day!" ?

Upcoming Tax Meetings

Oregon Tax Institute
September 27-28, 2002
Governor Hotel, Portland
You should have received your registration information. If not, call 1-800-452-8260, ext. 413.

PORTLAND:

Portland Luncheon Series
Contact: Lewis Horowitz,
horowitzl@lanepowell.com

September 18, 2002
Recent Development Relating to Tax Deferred Exchanges
Speaker: Jonathan A. Levy

October 9, 2002
Taxation of Intellectual Property
Speaker: Nick P. Nguyen

November 13, 2002
State Issues in Forming a Business in Washington v. Oregon
Speaker: Karey Schoenfeld

Portland Tax Forum
Contact: Mark Golding
(503) 222-1812
mgolding@hagendye.com

September 6, 2002
Creative Ways to Reduce Corporate Tax on Operations and Ultimate Sale of Closely Held "C" Corporation
Speaker: Edwin G. Schuck, Jr.

October 11, 2002
Recent Developments and Techniques in "S" Corporation Mergers and Acquisitions
Speaker: Douglas A. Schaff

November, 2002
Date, Topic and Speaker TBA

Fall CLE Conference
November 7-8-9, 2002 Kennedy School, Portland
Sponsored by the OSB Business Law Section and the Oregon Law Institute—designed specifically for Oregon business attorneys seeking to fulfill the Washington State Bar Reciprocity CLE Requirements. See details at http://www.osbar.org/5member/sections/buslaw/cle_fall02.htm .

Continuing on the back cover…

Upcoming Tax Meetings — *Continuing from page 7*

SALEM:

Mid-Valley Tax Forum
Contact: David Roth
droth@heltzel.com

September 17, 2002
Multi-State Taxation, State and Local Tax Issues
Speaker:Elizabeth Harchenko, Director, Oregon Department of Revenue

November 19, 2002
Charitable Strategies in Tax Planning
Speaker: Jeffrey Thede

EUGENE:

Eugene-Springfield Tax Association
Contact: Jeffrey D Kirtner
Email: jkirtner@hershnerhunter.com

September 24, 2002
TBA

Eugene Estate Planning Council
Contact: Howard Feinman
Email: hfeinman@rio.com

September 26, 2002
Business Succession Planning
Speaker: Pat Frishkoff

November 5, 2002
Issues in Planning for the 1-3 Million Dollar Estate
Speaker: Joe Wetzel

From the Editor:

We welcome your contributions to, and suggestions for, the newsletter. To submit an article, please call or email me with your idea rather than sending the article along first. If you have ideas for ongoing columns, let me know.

Gwendolyn Griffith
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Editors note: *Articles included in this newsletter are informational only and should not be construed as providing legal advice. For legal advice please consult the author of the article or your own tax advisor.*

Presorted Standard
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