



Parker Poe's State & Local Tax (SALT) Team includes seasoned legal professionals armed with decades of experience. We have developed firsthand knowledge of state and local tax laws and professional relationships to better serve clients in this complex and rapidly changing area.

The SALT Team works with clients in numerous industries, including automotive, banking, tobacco, alcohol, biotechnology, equipment rental, energy, franchising, food and grocery, manufacturing, pharmaceutical, retail and real estate. Our services cover a broad spectrum of matters, including tax planning, tax controversy, alcoholic beverage and tobacco taxation, tax incentives for economic development, and tax-efficient structuring of mergers, acquisitions and disposition transactions.

With a practice that extends throughout the U.S., Parker Poe's SALT representations include clients presenting issues and controversies from a range of states, such as California, Florida, Indiana, Kentucky, Louisiana, Maryland, North Carolina, South Carolina, Tennessee, and Washington. Our experience also includes regular appearances before local boards of equalization, litigation of appeals before property tax commissions in various states, and presentations of tax appeals in the appellate courts of various states.

Working relationships with key governmental personnel, as well as our thorough knowledge of state and local laws and policies, allow us to effectively and efficiently resolve critical matters for our clients.

Kay Miller Hobart, who heads our SALT Team, practices in all areas of state and local taxation with particular experience in corporate tax, tax controversies and appeals. As former special deputy attorney general for the revenue section of the North Carolina Department of Justice, she led all of the state's tax litigation, advised the revenue secretary and senior state officials on matters of tax law and policy, and defended the state's tax laws against constitutional challenges. She has extensive experience handling every part of a state tax controversy, beginning with the audit, through the administrative review, trial and appeals. She advises clients in all aspects of state and local tax, including tax planning and tax incentives for economic development. She has served as North Carolina correspondent for *State Tax Notes*, where she currently writes a regular column. She was appointed to the Governor's Commission to Modernize State Finances and served as a member of former Governor Jim Hunt's Institute for Emerging Issues Financing the Future task force.

REPRESENTATIVE EXPERIENCE

Our SALT lawyers routinely:

- Evaluate and implement state tax planning advantages
- Represent clients in tax controversies at either the audit or judicial level



State & Local Tax Team



- Obtain tax incentives for project development
- Accomplish due diligence analysis in M&A transactions through finding SALT opportunities or uncovering pitfalls
- Obtain favorable private letter rulings from various state departments of revenue
- Evaluate property tax assessments of both real and business personal property
- Submit schedules of values and their application to property
- Pursue exemptions of property from ad valorem taxation
- Establish present use valuation

Highlights of our specific experience include:

- Represented a Fortune 500 company in the financial services industry in seeking a refund of \$5 million of corporate income tax due to improper taxation of exempt federal interest income in violation of 31 USC 3142.
- Represented a Fortune 100 company in the financial services industry by successfully negotiating a settlement with a state taxing agency seeking \$13 million in license fees and corporate income taxes. The taxing agency sought nexus over banks, credit card companies, and securitization companies, plus the taxing agency sought to apportion taxable income using a “market based” apportionment (based on the location of the customer) rather than a cost of performance basis.
- Represented a privately held nationwide retailer with annual sales of \$150 million in a proceeding seeking state sales and use taxes of approximately \$800,000 involving issues of nexus of a remote seller making sales into the taxing state when the seller had no physical presence but an affiliate operating a different business did have a physical presence in the state.