

5TH ANNUAL

TEXAS MARGIN TAX CONFERENCE

Emerging Issues in Texas State Taxation



AUSTIN

September 1, 2011

AT&T Conference Center

DALLAS

September 7, 2011

Belo Mansion

HOUSTON

September 8, 2011

South Texas College of Law

Special State Employee Registration Fee \$235

Earn up to 7.50 Hours of MCLE Credit | 9.00 Hours of CPE Credit for Accountants

Specialization Credit Approved for Tax Law

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MORNING

Presiding Officer:
Christina A. Mondrik, Mondrik & Associates, Austin, TX

7:30 a.m. Registration Opens
Includes continental breakfast.

8:20 a.m. Welcoming Remarks

8:30 a.m. 1.00 hr
Franchise Tax Audits
The audit process, records needed and common errors.

Attendees are invited to submit questions, in writing, in advance of the conference. Questions may be submitted by mail or fax with the conference registration form, or via the link at www.utcle.org/conferences/TM11. Please reference "Texas Margin Tax—Franchise Tax Audits" with your submission.

Moderator:
Kathy Applegate, KHA Consulting PC, Fort Worth, TX

Panelists:
Gary Dullum, Texas Comptroller of Public Accounts, Dallas, TX
Bobby Lebkowsky, Texas Comptroller of Public Accounts, Dallas, TX
Ted Pace, Texas Comptroller of Public Accounts, Houston, TX

9:30 a.m. 1.00 hr

Cost of Goods Sold Issues
This presentation provides a brief overview of the Texas cost of goods sold calculation and more detailed examples of the common issues that taxpayers are facing on audit. The discussion also includes issues related to the qualification of certain businesses and industries for the cost of goods sold deduction.

Douglas F. Maziur Jr., KPMG LLP, Houston, TX

10:30 a.m. Break

10:45 a.m. 1.00 hr

Putting It Together: Practical Examples of the Application of Margin Tax

This visual presentation is aimed at the practical application of the margin tax to common entities and structures. It includes comparative analysis of federal income tax treatment of the structures. Special attention is also given to choice of entity; selected nexus issues; special partnership agreement provisions; and the treatment of passive entities within complex organizational structures.

William H. Hornberger, Jackson Walker L.L.P., Dallas, TX
Steven D. Moore, Jackson Walker L.L.P., Austin, TX

11:45 a.m. Break to Pick Up Lunch
Included in conference registration fee.

AFTERNOON

Presiding Officer:
Hon. Peter Brooks, State Office of Administrative Hearings, Austin, TX

LUNCHEON PRESENTATION

12:00 p.m. .50 hr

The Future of the Texas Margin Tax

Billy C. Hamilton, Former Chief Deputy Comptroller of Public Accounts of Texas, Austin, TX

12:30 p.m. Break

12:45 p.m. .50 hr

Legislative Update

An update on recent legislative developments affecting Texas margin tax and other state taxes.

Eleanor H. Kim, DuCharme, McMillen & Associates, Inc., Austin, TX
Mona Shoemate, DuCharme, McMillen & Associates, Inc., Austin, TX

1:15 p.m. .50 hr

Litigating Texas Tax Disputes in District Court: Opportunities and Pitfalls

Many taxpayers assume that an administrative appeal is the only option available to them for challenging a Texas tax assessment or a refund denial. But district court may present a better option in some instances, including situations where a taxpayer may be able to recover attorney's fees. This presentation focuses on various matters that should influence a taxpayer's decision to assert a Texas tax dispute in state district court.

David E. Colmenero, Meadows, Collier, Reed, Cousins, Crouch & Ungerman, L.L.P., Dallas, TX

1:45 p.m. 1.00 hr

Texas Margin Tax Nexus and Apportionment Issues

Panel members discuss state tax nexus issues as they relate to multistate businesses, including a discussion of recent Amazon/internet seller sales and use laws, affiliate nexus and other policies and procedures affecting modern business models. The panel members also discuss frequently overlooked tax reduction opportunities for businesses in apportioning their Texas franchise tax gross receipts.

Ira A. Lipstet, DuBois, Bryant & Campbell, L.L.P., Austin, TX
Christina A. Mondrik, Mondrik & Associates, Austin, TX

2:45 p.m. Break

3:00 p.m. .50 hr

Rebutting the Unitary Presumption

The Comptroller presumes that all affiliated entities are engaged in a unitary business so that combined reporting is required. This topic identifies circumstances in which the presumption may hurt taxpayers, and how to overcome the presumption when it does.

Ray H. Langenberg, Scott, Douglass & McConico, LLP, Austin, TX

Very knowledgeable speakers who really focused on the questionable areas.

Good speakers, great information. Enjoyable and beneficial review. Really worthwhile!

Very timely and well organized. Great format. Great information.

3:30 p.m.

.50 hr

Substance over Form

In 2006, the Comptroller announced its intention to examine the business purpose of transactions between related parties designed to avoid sales and use tax on purchases of aircraft. Questions persist concerning the limits of the Comptroller's authority to ignore the form of these transactions and whether the Comptroller will extend this practice to other transactions and/or taxes. This presentation discusses and analyzes those issues.

David H. Gilliland, Duggins Wren Mann & Romero, LLP, Austin, TX

4:00 p.m.

1.00 hr

Ask the Tax Policy Experts

Is the Texas franchise tax still a bit vague? Indefinite? Obscure? Confusing? If so, then you must attend this session as Janet Spies and Jerry Oxford from the Franchise Tax Policy Group at the Comptroller's office attempt to provide definite, exact, resolved or settled answers to your questions.

Attendees are invited to submit questions, in writing, in advance of the conference. Questions may be submitted by mail or fax with the conference registration form, or via the link at www.utcle.org/conferences/TM11. Please reference "Texas Margin Tax—Ask the Tax Policy Experts" with your submission.

Moderator:

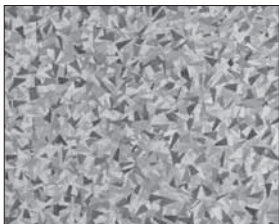
Daniel J. Micciche, Akin Gump Strauss Hauer & Feld LLP, Dallas, TX

Panelists:

Jerry H. Oxford, Texas Comptroller of Public Accounts, Austin, TX
Janet Spies, Texas Comptroller of Public Accounts, Austin, TX

5:00 p.m.

Adjourn

ABOUT THE COVER

Concatenation, 38" x 30", mixed media collage of recycled grocery bags and acrylic, is by Philip Durst. For more information, visit www.philipdurst.com or call 512-474-6200.

REGISTRATION FOR TM11

Mail this registration form to:

The University of Texas School of Law, Attn. CLE—TM11

P.O. Box 7759, Austin, TX 78713-7759

or fax a copy to: **512-475-6876** or register online: **www.utcle.org**

Questions? Call us at 512-475-6700

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Invoices, confirmations and receipts are emailed to these addresses.

REGISTRATION Includes Course Binder and Luncheon Presentation

AUSTIN—Thursday, September 1, 2011

☐ Early Registration Fee due by Wednesday, August 24, 2011\$335

☐ Registration Fee after Wednesday, August 24, 2011\$385

☐ State Employee Registration Fee (\$285 after Wednesday, August 24, 2011).....\$235

DALLAS—Wednesday, September 7, 2011

☐ Early Registration Fee due by Monday, August 29, 2011\$335

☐ Registration Fee after Monday, August 29, 2011\$385

☐ State Employee Registration Fee (\$285 after Monday, August 29, 2011).....\$235

HOUSTON—Thursday, September 8, 2011

☐ Early Registration Fee due by Monday, August 29, 2011\$335

☐ Registration Fee after Monday, August 29, 2011\$385

☐ State Employee Registration Fee (\$285 after Monday, August 29, 2011).....\$235

CONFERENCE PUBLICATIONS AND MEDIA *Allow 3–5 weeks from the Houston conference date for delivery.*

☐ Course Binder WITHOUT Conference Registration\$150

Note: Conference Registration includes Course Binder.

☐ Audio MP3 Speeches on CD\$90

☐ Audio CD Set.....\$125

☐ eBinder on CD (PDF format).....\$150/\$50
(\$150 purchased alone, \$50 with Registration or purchase of Course Binder or Audio MP3 Speeches on CD or Audio CD Set)

IN-HOUSE CLE: Bring the conference in-house and learn at your convenience.

Allow 3–5 weeks from the Houston conference date for delivery. Approved for Texas MCLE credit.

☐ In-House CLE for 2—Includes Audio CD Set and Course Binders\$600

_____ Add participants (includes Course Binder) for \$150 each\$ _____

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*planning committee member

AUSTIN Thursday, September 1, 2011



AT&T CONFERENCE CENTER
The University of Texas
1900 University Avenue
Austin, TX 78705
512-404-3600

Special Room Rate: \$169
good through September 1, 2011 (subject to availability)

Parking: Free daily self-parking at UT garages. Separate fees apply for valet and overnight parking.

August 24, 2011, 5 p.m. last day for early registration
add \$50 if received after this time

August 26, 2011, 5 p.m. last day for full refund

August 29, 2011, 5 p.m. last day for partial refund
\$50 processing fee applied

September 1, 2011, 8:30 a.m. conference begins

DALLAS Wednesday, September 7, 2011



BELO MANSION
2101 Ross Avenue
Dallas, TX 75201
214-220-0239

Self-Parking: \$4 per day for Dallas Bar members,
\$10 per day for non-Dallas Bar members

August 29, 2011, 5 p.m. last day for early registration
add \$50 if received after this time

August 31, 2011, 5 p.m. last day for full refund

September 2, 2011, 5 p.m. last day for partial refund
\$50 processing fee applied

September 7, 2011, 8:30 a.m. conference begins

HOUSTON Thursday, September 8, 2011



SOUTH TEXAS COLLEGE OF LAW
1303 San Jacinto Street
Houston, TX 77002
713-659-8040

Parking: Various parking garages and surface lots in the area

August 29, 2011, 5 p.m. last day for early registration
add \$50 if received after this time

August 31, 2011, 5 p.m. last day for full refund

September 2, 2011, 5 p.m. last day for partial refund
\$50 processing fee applied

September 8, 2011, 8:30 a.m. conference begins

MCLE

This course has been approved for Minimum Continuing Legal Education credit by the State Bar of Texas Committee on MCLE in the amount of 7.50 hours. The University of Texas School of Law is a State Bar of California approved MCLE provider (#1944), and an Oklahoma Bar Association MCLE presumptively-approved provider (#169).