

# The Chicago Tax Club 58<sup>th</sup> Annual Fall Seminar October 26 and 27, 2011

## REGISTRATION

Day 1: 7:15 AM to 8:45 AM

## OPENING SESSION

Day 1: 8:45 AM to 10:15 AM

CPE hours: 1.5

Welcome and Housekeeping – **Becky Jefferies - Fall Seminar, Co-Chair**

Opening Remarks - **George E. Kyroudis, President - The Chicago Tax Club**

## Keynote Address

Topic	<b>The Financial Challenges Facing Illinois, Cook County and Chicago</b>
Description	The economic crisis has exposed unsustainable financial practices of our State government and many local governments. Fortunately, there are independent organizations that draw attention to these practices and recommend ways to make our governments more fiscally responsible. One such organization is The Civic Federation. Founded in 1894, the Federation is a non-partisan government research organization working to maximize the quality and cost-effectiveness of government services in the Chicago region and State of Illinois. Civic Federation President Laurence Msall will share his views.
Speaker	<b>Laurence Msall, President – The Civic Federation</b>
Moderator	Jim Horvath, The Chicago Tax Club

## CONCURRENT SESSIONS I: Federal Tax

Day 1: 10:30 AM to 11:45 AM

CPE hours: 1.5

Topic	<b>2011 Federal Tax Legislative Update: The “Game Plan” for 2012 and Beyond</b>
Description	This timely and comprehensive discussion will provide extensive coverage and insight on the most significant developments impacting the Federal Tax area. The discussion will provide detailed information on the current proposals for change and the corresponding impact to organizations. The speakers will place a direct focus on the emerging issues in Washington and advise on the forward-looking strategic planning that is required to benefit from and/or offset any unfavorable effects.
Speakers	<b>Michael Ulleweit, Partner, Deloitte Tax LLP</b> <b>Jon Oleksyk, Partner, Deloitte Tax LLP</b> <b>Jeffrey Kummer, Tax Policy Partner, Deloitte Tax LLP, Washington DC</b>
Moderator	Lenny Samczyk, Treasurer, Chicago Tax Club

## CONCURRENT SESSIONS I: International Tax

Day 1: 10:30 AM to 11:45 AM

CPE hours: 1.5

Topic	<b>International Tax Issues Update--Part I</b>
Description	There have been many significant developments in the U.S. taxation of international operations and transactions this year. Jim Fuller will provide his valuable insights and practical applications of the most important developments.
Speaker	<b>Jim Fuller, Fenwick &amp; West</b>
Moderator	Wes Cornwell, Ceteris US, LLC

## CONCURRENT SESSIONS I: State Income, Franchise, Sales, Use & Property

Day 1: 10:30 AM to 11:45 AM

CPE hours: 1.5

Topic	<b>State Tax Cases to Watch</b>
Description	Paul Frankel and Jordan Goodman are back again and will provide a whirlwind tour of key state tax cases that have either been decided or are in the courts. Also included will be a discussion of state taxes that are in the pipeline, or have failed to reach the US Supreme Court.
Speakers	<b>Paul Frankel, Partner, Morrison &amp; Foerster</b> <b>Jordan Goodman, Partner, Horwood, Marcus &amp; Berk</b>
Moderator	Ken Lejkowski, Sears Holdings Corp.



CONCURRENT SESSIONS I: Tax Administration

Day 1: 10:30 AM to 11:45 AM

CPE hours: 1.5 Hours

Topic	<b>Estate &amp; Gift Tax Planning after the 2010 Tax Reform Act</b>
Description	Many of us have been asked by family and friends about estate taxes and gift taxes, but do we really understand what the rules are and how they've changed during the last year. Marv Hills is the partner in charge of Crowe Horwath's Private Client Services, and he has come to bring us up to date with the existing laws and how they work for US individuals; describe the new laws enacted and the various effective dates; how to utilize the new "Portability" rule within estate plans drafted after 2010; and discuss estate tax planning opportunities that are enhanced by the new tax laws.
Speaker	<b>Marvin D. Hills, CPA/PFS, CLU, ChFC, Partner in Charge - Private Client Services, Crowe Horwath LP, South Bend, IN</b>
Moderator	Scott Milnes, Tax Manager, Serta International

LUNCHEON

Day 1: 12:00 PM to 1:45 PM

CPE hours: .5

Topic	<b>A Life In Balance, Create Your Own Happiness</b>
Description	Learn how to tackle one of the hardest parts of the working person's life: finding balance and real happiness. Discover how to find the time you need and the practices to run your business and create happiness and balance in your busy life
Speaker	<b>Kathleen Hall – Founder and CEO of the Stress Institute and The Mindful Living Network</b>
Moderator	Diana Achim – McDonald's Corporation

CONCURRENT SESSIONS II: Federal Tax

Day 1: 2:00PM to 3:15 PM

CPE hours: 1.5

Topic	<b>The Ultimate Test: How to Effectively Manage an IRS Audit</b>
Description	In response to increasing pressure from Washington to generate revenue, the IRS is ramping up enforcement efforts, hiring more examiners, and deploying more sophisticated and comprehensive issue identification strategies. When it comes to tax controversy and risk management, the greater your understanding of the IRS, the better you will be able to anticipate, prepare for and respond to potential issues. The discussion will focus on understanding, preparing for and navigating through an IRS audit will cover the key areas of controversy, address the top issues in the current Federal tax audit landscape, and detail how taxpayers can best work with the IRS to resolve issues quickly and efficiently.
Speaker	<b>John F. Risacher, Executive Director, Tax Controversy and Risk Management Services, Ernst &amp; Young LLP</b>
Moderator	James Hedderman, Director, True Partners Consulting

CONCURRENT SESSIONS II International Tax

Day 1: 2:00PM to 3:15 PM

CPE hours: 1.5

Topic	<b>International Tax Issues Update--Part II</b>
Description	There have been many significant developments in the U.S. taxation of international operations and transactions this year. Jim Fuller will continue to provide his valuable insights and practical applications of the most important developments.
Speaker	<b>Jim Fuller, Fenwick &amp; West</b>
Moderator	Wes Cornwell, Ceteris US LLC

CONCURRENT SESSIONS II: State Income and Franchise

Day 1: 2:00PM to 3:15 PM

CPE hours: 1.5

Topic	<b>Illinois Income Tax Legislative &amp; Regulatory Changes: Recent, Ongoing and Projected.</b>
Description	A discussion of recent, ongoing and projected Illinois tax legislative and regulatory changes.
Speakers	<b>David Kupiec, Kupiec &amp; Martin, LLC Natalie Martin, Kupiec &amp; Martin, LLC Ken Zilch, VP of Tax, Career Education</b>
Moderator	John Easterday, Alvarez & Marsal

CONCURRENT SESSIONS II: Sales, Use and Property Tax

Day 1: 2:00PM to 3:15 PM

CPE hours: 1.5

Topic	<b>Managing Sales and Use Tax Audits in Difficult Economic Times</b>
Description	Join us for a discussion of best practices when preparing for and defending increasingly aggressive Sales/Use Tax audits, including knowing what to expect, pitfalls to avoid, and alternatives to traditional audit field work.
Speakers	<b>Dominic Greco – Director/Sales and Use Tax, Deloitte Tax LLP Brian Little – Senior Manager, Deloitte Tax LLP Anna Marie Alberti Hearn, Manager/Multistate, Deloitte Tax LLP</b>
Moderator	Roger Soloway

## CONCURRENT SESSIONS II: Tax Administration

Day 1: 2:00PM to 3:15 PM

CPE hours: 1.5 Hours

Topic	<b>Employee or Independent Contractor? Worker Misclassification in the Cross Hairs</b>
Description	The Department of Labor (DOL) and IRS have identified employer misclassification of independent contractors as a <b>top enforcement priority</b> . Misclassifying workers exposes businesses to penalties and liability for back taxes, overtime pay, workers' compensation, and even retirement benefits. We will also discuss what are the best practices for companies to minimize penalties and liability if they treat workers as independent contractors in error. Following the speaker presentation, you will have an opportunity to get answers to your specific questions during the interactive Q&A.
Speaker	<b>TBD</b>
Moderator	Scott Milnes, Tax Manager, Serta International

## COFFEE BREAK

Day 1: 3:15 PM to 3:45 PM

## CONCURRENT SESSIONS III: Federal Tax

Day 1: 3:45 PM to 5:00 PM

CPE hours: 1.5

Topic	<b>Financial Reporting: “Staying Ahead of the Curve” Planning for Year-End</b>
Description	Now is the time to build the momentum to tackle the year-end close. This timely and insightful discussion will focus on the financial reporting developments in the year and corresponding tax accounting relevance. The session will provide an overview on navigating this visible area highlighting the effects to your organization with direct guidance on the most recent standards setting information, the impact of the proposals for change, disclosure checklists, risk management and mitigation, IFRS convergence updates, and a roadmap on how to best communicate the key issues to the Audit Committee Governance Boards.
Speaker	<b>Ken Kuykendall, Partner, US Tax Accounting Services &amp; Tax IFRS Leader, PricewaterhouseCoopers LLP</b>
Moderator	Rosalind Talarico, Director, Corporate Tax, Discover Financial Services

CONCURRENT SESSIONS III International Tax

Day 1: 3:45 PM to 5:00 PM

CPE hours: 1.5

Topic **How to Deal with New Transfer Pricing Rules in Italy - Molto Benne!**

Description Coming from Italy to present, Fabio is going to discuss the new decree 78 that was issued by the Italian government, which contains a section bringing Italian transfer pricing documentation rules in line with Organization for Economic Cooperation and Development (OECD) transfer pricing guidelines. He will cover the important aspects of the new decree, the transfer pricing requirements, tax penalties, and how to support arm's length transfer pricing policies with adequate documentation when called upon to do so in a tax audit.

Speaker **Fabio Aramini, CMS Adonnino Ascoli & Cavasola Scamoni**

Moderator Christopher Desmond, Ceteris US LLC

CONCURRENT SESSIONS III: State Income and Franchise

Day 1: 3:45 PM to 5:00 PM

CPE hours: 1.5

Topic **State Tax Pitfalls of Reorganizations & Restructurings**

Description The presentation will identify and discuss the unintended State tax consequences resulting from common Federal and/or International transactions, reorganizations, restructurings, etc.

Speaker **Kevin Merkell, PwC Partner State & Local Tax,  
Matthew Warren, PwC Director, International Tax,  
Jason Silverman, PwC Partner Mergers & Acquisitions**

Moderator Darren R. Lebiecki, Manager - Kraft Foods State & Local Taxes

### CONCURRENT SESSIONS III: Sales, Use and Property Tax

Day 1: 3:45 PM to 5:00 PM

CPE hours: 1.5

Topic           **PropTax Assessment by Advantax**

Description     Managing property taxes can be complex. To help better understand these challenges, Advantax has introduced the PropTax® Assessment. This tool was launched to empower tax professionals with insights on property tax processes and help them compare their processes with the rest of the industry. This presentation examines the aggregate results from those who have participated in the PropTax® Assessment.

After attending this interactive presentation, the audience will walk away with a better understanding of the strengths and weaknesses within their own property tax process and how they compare to other tax departments. Participants will be empowered with practical ideas and strategies that can be implemented to improve their existing property tax plan.

Speaker         **David H. LeVan, CMI, MBA, Founder and Chief Executive Officer of Advantax Group**

Moderator      Kevin Mullen, Cenvéo, Inc.

### CONCURRENT SESSIONS III: Tax Administration

Day 1: 3:45 PM to 5:00 PM

CPE hours: 1.5 Hours

Topic           **The Ten Commandments of Employment Law**

Description     All companies face challenges from their customers, vendors and the government, but the challenges from employees and lawyers deplete a company's resources and the owners' energy. In this presentation, business professionals learn how to identify and reduce the employment law risks and liabilities. This presentation will be extremely thought provoking for anyone who supervises or manages staff.

Speaker         **Alan M. Kaplan, Attorney at Law, Chair, Employment, Labor & Benefits Practice Group, Masuda, Funai, Eifert & Mitchell Ltd.**

Moderator      Kevin Ake

### RECEPTION

Day 1: 5:00 PM to 7:00 PM

BREAKFAST

Day 2: 7:00 AM to 8:30 AM

ANNUAL CLUB BUSINESS MEETING

Day 2: 7:45 AM to 8:30 AM

2011 Committee Reports and Election of Officers and Directors for the Year 2012

CONCURRENT SESSIONS IV: Federal / International Tax - Part 1

Day 2: 8:45 AM to 10:00 AM

CPE hours: 1.5

Topic            **Intangible Property Planning: International and Federal Tax Viewpoints**

Description     The Intangible Property area is complex and one of the most controversial and heavily tested matters in Tax. This two session dialogue will provide insightful perspective from a panel of experts on the key International and Federal considerations related to the three main focus points on intangibles: Tax Planning and Structuring, Tax Controversy and Litigation (including IRS trends/views), Transfer Pricing/Other Topics.

Speakers        **Thomas Kinzler, Partner, Pricewaterhouse Coopers LLP**  
**Lowell D. Yoder, Partner, McDermott Will & Emery**  
**Kristen E. Hazel, Partner, McDermott Will & Emery**

Moderator      Wes Cornwell, Managing Director, Ceteris

CONCURRENT SESSIONS IV: State Income and Franchise

Day 2: 8:45 AM to 10:00 AM

CPE hours: 1.5

Topic            **Federal Change Reporting: Hot Topics and Current Issues**

Description     An overview of the states' rules on federal change reporting and a discussion of the issues faced by taxpayers pursuant to the states' different interpretations of its federal change reporting rules.

Speaker         **Jennifer A. Zimmerman, Horwood Marcus & Berk**  
**Breen M. Schiller, Horwood Marcus & Berk**

Moderator      Fred Yates, Abbott

#### CONCURRENT SESSIONS IV: Sales Use and Property Tax

Day 2: 8:45 AM to 10:00 AM

CPE hours: 1.5 Hours

Topic	<b>Software in the Clouds? The tax answer may be a bit foggy!</b>
Description	Keeping up with the latest technology is a daunting task, but the cost of not staying on top it can be catastrophic. The potential advantages of cloud computing include lower capital and operating costs, increased flexibility and improved service levels. As new computing solutions become available, taxing authorities are also struggling applying old laws to new technology in an attempt to determine whether sales/use taxes apply and/or if their tax revenue will continue to disappear into the clouds. This session will provide an overview of the general taxability of software, based on the different means of delivery, and various states positions on taxability of software as a service (SaaS).
Speaker	<b>James J. Tauber Managing Director, State &amp; Local Tax, WTAS LLC</b>
Moderator	Donna Hriljac, CCCIS

#### CONCURRENT SESSIONS IV: Tax Administration

Day 2: 8:45 AM to 10:00 AM

CPE hours: 1.5 Hours

Topic	<b>Avoiding Traps With Unnecessary Back-Up Withholding or Invalid Payee Documentation (Form W-8BEN and W-9 Compliance)</b>
Description	Under US federal tax law, businesses making certain payments must request a Form W-8BEN or other W-8 (foreign entities or individuals), or a Form W-9 (US taxpayers), bearing certain information about the payee. Otherwise, the payor may have to withhold tax from the payment. The presentation will provide an overview of the US withholding-related information forms, the payor duties including when a payor company needs to withhold, IRS audit trends and best practices on how to scrutinize the forms to verify that they are complete and current in order to avoid or reduce withholding and penalties.
Speaker	<b>Marianne Couch, Principal COKALA Tax Information Reporting Solutions, Ann Arbor, MI</b>
Moderator	Kevin Ake

#### COFFEE BREAK

Day 2: 10:00 AM to 10:15 AM

CONCURRENT SESSIONS V: Federal / International Tax - Part 2

Day 2: 10:15 AM to 11:30 AM

CPE hours: 1.5

Topic	<b>Intangible Property Planning: International and Federal Tax Viewpoints</b>
Description	The Intangible Property area is complex and one of the most controversial and heavily tested matters in Tax. This two session dialogue will provide insightful perspective from a panel of experts on the key International and Federal considerations related to the three main focus points on intangibles: Tax Planning and Structuring, Tax Controversy and Litigation (including IRS trends/views), Transfer Pricing/Other Topics.
Speaker	<b>Thomas Kinzler, Partner, Pricewaterhouse Coopers LLP</b> <b>Lowell D. Yoder, Partner, McDermott Will &amp; Emery</b> <b>Kristin E. Hazel, Partner, McDermott Will &amp; Emery</b>
Moderator	Wes Cornwell, Managing Director, Ceteris

CONCURRENT SESSIONS V: State Income and Franchise

Day 2: 10:15 AM to 11:30 AM

CPE hours: 1.5

Topic	<b>State Sovereignty Theory Clashes with Borderless Market Reality: New Developments in Federal Limitations on State Taxation</b>
Description	Through federal legislation, case law, and even state action, the struggle over the scope of federal regulation of state taxing authority not only continues, but seems to be escalating. Several pieces of pending federal legislation could significantly change the tax landscape if enacted. Significant litigation continues to reshape the scope of state tax authority. And states themselves have sought to place limits on federal limitations. This session will discuss the most recent developments in this battle as well as the future issues for which taxpayers should be preparing.
Speakers	<b>Diann Smith, Counsel, Sutherland, State and Local Tax Practice</b> <b>Beth Freeman, Associate, Sutherland</b>
Moderator	Diana Achim, Tax Manager, McDonald's Corporation

CONCURRENT SESSIONS V: Sales, Use and Property Tax

Day 2: 10:15 AM to 11:30 AM

CPE hours: 1.5

Topic **State tax policy update and VAT discussion**

Description This session will provide an update of current legislative and judicial developments impacting state business taxes, including a discussion of the fiscal condition of the states and political climates impacting tax policy. Presenters will also discuss the possible implementation of a US VAT. Many economists believe that a national VAT in the US is a viable way to reduce our debt obligations. The economics of a VAT will be reviewed, including a discussion of revenue estimates and the potential impact on our debt burden.

Speakers **Michael Licastro, Ernst & Young LLP**  
**Elzbieta Choina-Lucjan, Ernst & Young LLP**

Moderator Larry Ewing, Baker, Tilly

CONCURRENT SESSIONS V: Tax Administration

Day 2: 10:15 AM to 11:30 AM

CPE hours: 1.5

Topic **Unclaimed Property Update - What is the Current Audit Climate, How Well are Companies Complying, SOX Controls Issues & Much More**

Description Has your company complied with the Unclaimed Property statutes and have you set up procedures to identify the liabilities and filed returns and paid the correct amount for prior years? Have you done nothing and feel you'll never get caught? Do you have a reserve set up to reasonably approximate the liability so that you'll pass your year end financial audit? There are so many things to consider and our speaker will bring us up to date on the current audit climate as well as the financial reporting issues related to this area that nobody wants to take responsibility for.

Speaker **TBD**

Moderator Scott Milnes, Tax Manager, Serta International

CONCURRENT SESSIONS VI: Federal Tax

Day 2: 11:45 AM to 1:00 PM

CPE hours: 1.5 Hours

Topic **M & A Annual Hot Topics Update**

Description Deal activity has been steadily ramping up this year requiring a renewed focus on the tax considerations in the Mergers & Acquisition area. This interactive discussion will provide an overview on the essential information on the newest developments, emerging trends, and best practices from before the due diligence phase to post combination.

Speaker **Michael Stibich, Partner, Deloitte Tax LLP**  
**Todd Videbeck, Director, Deloitte Tax LLP**

Moderator John W. Zurales, Director of Taxes, United Stationers

CONCURRENT SESSIONS VI: International Tax

Day 2: 11:45 AM to 1:00 PM

CPE hours: 1.5

Topic **The FATCA Guidance: Hear How Your Company Will Be Affected**

Description FATCA (Foreign Account Tax Compliance Act) added a set of antitax evasion provisions to the Internal Revenue Code that generally require "foreign financial institutions" (FFIs) such as non-U.S. banks and offshore investment funds, as well as certain other non-U.S. entities, to provide information to the IRS with respect to their account holders and investors who are U.S. persons. FATCA imposes a new 30% U.S. withholding tax on any U.S. source "withholdable payment" made on or after January 1, 2013 to a foreign financial institution ("FFI"). The Internal Revenue Service (IRS) recently issued its second and third notices concerning the implementation of FATCA. The recent release of Notice 2011-34 shows that the IRS is willing to address the problems identified with the procedures issued last year in Notice 2010-60. This session will discuss some of the basic requirements, as well as, the latest FATCA guidance that modifies prior guidance under Notice 2010-60 and provides new guidance on pass-thru payments and deemed compliant FFIs.

Speaker **Alan Granwell, Partner, DLA Piper**

Moderator Christopher Desmond, Managing Director, Ceteris

CONCURRENT SESSIONS VI State Income and Franchise

Day 2: 11:45 AM to 1:00 PM

CPE hours: 1.5

Topic	<b>The Corporate State Tax Director's Agenda</b>
Description	In an era of aggressive enforcement, cash starved state and local jurisdictions and "gotcha" penalty regimes, effective management of multistate taxes can be challenging. This panel of state tax professionals will provide their strategies and insights about how their organizations successfully navigate the challenge.
Speakers	<b>Edward Coops, Director, State and Local Taxes, McDonald's Corporation</b> <b>Jennifer Keegan, Manager, US Taxation, McCain Foods USA, Inc.</b> <b>Denise Obrochta, Director, State and Local Taxes, Navistar, Inc.</b> <b>Paul Weatherford, Director, State and Local Taxes, Sears Holdings.</b>
Moderator	Jonathan M. Cesaretti, Senior Manager, Crowe Horwath LLP

CONCURRENT SESSIONS VI: Sales, Use and Property Tax

Day 2: 11:45 AM to 1:00 PM

CPE hours: 1.5

Topic	<b>Click Through Nexus, Mainstreet Fairness Act and the impact on Sales Tax Collection Responsibilities of Remote Sellers</b>
Description	This topic will provide an update on the state legislative activity regarding the passage of Click Through and Affiliate Nexus provisions and how they differ from state to state. Our speaker will also provide an update on the Federal Mainstreet Fairness Act, any new actions as well as insight to its likely course. She will then explain how all these provisions, along with the Streamlined Sales Tax provisions impact the tax collection responsibilities of remote sellers.
Speaker	<b>Diann Smith, Counsel, Sutherland, Washington, DC</b>
Moderator	Diane L. Yetter, YETTER

CONCURRENT SESSIONS VI: Tax Administration

Day 2: 11:45 AM to 1:00 PM

CPE hours: 1.5 Hours

Topic	<b>Structuring Tax Provisions in Partnership and LLC Operating Agreements</b>
Description	The discussion will focus on a number of key topics of an operating agreement of a flow-thru (Subchapter K) e.g. LLC & Partnership. Best practices in structuring and tax planning for minimizing tax for the entity and its members will address allocation of income, contributed property and liabilities; as well as distribution rules, adjustments and sales of interests in partnerships and LLCs. In addition to these key topics specialized issues to consider, including disproportionate allocations of income or loss items and giving partners an interest in exchange for future or past services. Ultimately the presentation will allow participants a hands on look on how to integrate tax planning during the creation of the operating agreement and avoid some of the complexities.
Speaker	<b>TBD</b>
Moderator	Kevin Ake

LUNCHEON

Day 2: 1:00 PM to 2:45 PM

CPE hours: .5

Honors the 2011 Committee Chairpersons of the Chicago Tax Club

Topic	<b>Leaders &amp; Legends: The Big Ten (or is it Eleven or Twelve?) Today</b>
Description	The Big Ten Conference has been a hot bed of news lately, between the addition of Nebraska, major coaching changes at Ohio State and Michigan, the controversial split into two divisions and the first ever post-season football championship game. In fact, the whole world of College Football is undergoing significant changes on a daily basis. Our speaker, will discuss the status of the College Football world today, as well as provide some commentary on the latest from the world of Golf
Speaker	<b>Teddy Greenstein, The Chicago Tribune, Comcast SportsNet, The Big Ten Network &amp; Golf Chicago TV</b>
Moderator	Jim Olinski, The Chicago Tax Club

WRAP UP SESSION

Day 2: 2:45 PM to 3:30 PM