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NAVIGATING US TAX REFORM:

Implications for the Energy Industry

Domestic Issues

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SECTION 01

OVERVIEW OF CHANGES AFFECTING DOMESTIC ENERGY INDUSTRY

Positive Changes Affecting Domestic Taxpayers

- **Lower Corporate Tax Rate**
  - Reduces corporate tax rate from 35 to 21 percent
- **Lower Individual Tax Rates**
  - Reduces top individual rate from 39.6 to 37 percent
- **Reduction in Individual Taxes on Pass-Through Business Income**
  - Provides 20 percent deduction to individuals on qualifying pass-through business income with various qualifications, such as a wage limitation
- **Increase in Amount and Scope of Bonus Deprecation Deduction**
  - Allows 100 percent deduction for costs of qualifying property and expanded to include deduction for taxable acquisition of used property
- **Repeal of the Corporate Alternative Minimum Tax (AMT)**
  - Probably the only real "simplification"

Observations

- Lower corporate tax rates and the 20% deduction for income from a pass-through business will make it harder for individual investors to analyze alternative structures
  - Previously, the effective tax rate for U.S. individuals investing through pass-through entities was 43.4% compared to 50.47% for investments through C corporations — a 7.07 percentage point advantage
  - Under the new law, the effective tax rate for U.S. individuals investing through C corporations is 39.8%, while the effective rate on individuals investing through pass-through entities can range from 33.4% to 40.8%, depending on whether the individual's share of the business income qualifies for a 20 percent deduction
  - State income taxes may also impact the analysis
- **Bottom Line:** More attention will need to be paid to choice of entity considerations on domestic investments where individual investors are involved

Observations

- Changes to the allowance of bonus depreciation will give buyers of U.S. assets an incentive to structure acquisitions as taxable asset acquisitions.
  - But bonus depreciation applies only to tangible personal property and thus will not benefit investments in intangible assets or real property.
  - Issues remain on how bonus depreciation provisions will apply to property acquired indirectly through the purchase of a partnership interest.

Negative Domestic Changes

- **Limitations on Interest Deductibility**
  - Revises section 163(j) and expands its applicability to every business, including businesses operated through partnerships and Sub S corporations
  - Generally, limits deduction of interest expense to interest income plus 30 percent of adjusted taxable income, which is computed without regard to deductions allowable for interest, depreciation, amortization, or depletion (often referred to as "EBITDA").
  - Exception for "regulated" utilities
- **Changes to Net Operating Losses (NOL) Carryovers**
  - Eliminates ability to carryback NOLs to prior years
  - Limits the use of post-2017 NOL carryovers to 80 percent of taxable income
  - But NOLs now have an indefinite carryover period

Negative Domestic Changes

- **Repeal of Section 199**
  - Repeals the section 199 domestic production deduction available for qualified production activities in the U.S.
    - Deduction had the effect of allowing a 6 percent deduction for qualifying oil and gas income
  - **Effective date**: Unlike most provisions, change is only effective for taxable years beginning after December 31, 2018
- **Elimination of 1031 "Like Kind" exchanges for personal property**
  - Eliminates the exemption for like-kind exchanges *except* for real property
  - Although oil and gas properties are classified as "real property," the tax break no longer applies to machinery and equipment
- **Elimination of tax-free treatment for most non-shareholder contributions to capital**
  - No tax-free contributions by any governmental entity or civic group (e.g. payments for business relocation)
  - No tax-free contributions in aid of construction ("CIACs") or any other contributions as a customer or potential customer
    - Unclear as to whether existing IRS guidance/no CIAC "safe harbors" for interconnection still apply under new law without further guidance given legislative history
    - Interconnection agreement gross-up payment issues

Observations

- Limitations on interest deductibility will require businesses to reconsider alternative methods of raising funds, such as preferred partnership interests
- Leveraged acquisitions will need to be analyzed carefully to determine impact on interest deductibility
- Restrictions on NOL carrybacks and future use of post-2017 NOLs may require additional planning to limit generation of NOLs, such as
  - Elections to capitalize intangible drilling costs (IDCs)
  - Election out of bonus depreciation for certain qualifying assets
  - Use of other methods to defer deductions or accelerate income

SECTION 02

CHANGES AFFECTING RENEWABLE ENERGY SECTOR

No Adverse Changes to Renewables Credits

- Final tax reform legislation makes no direct changes to renewables tax credits such as the investment tax credit ("ITC") and production tax credit ("PTC")
  - Tax credits for solar and wind projects still sunset as they did before the tax reform legislation
  - Recently passed "extenders" legislation allows for retroactive qualification for certain renewable energy projects that "began construction" in 2017 (e.g., biomass, hydro, trash to energy) to align with prior extensions enacted for solar and wind projects
- "Extenders" legislation also liberalizes nuclear PTCs by (i) allowing previously allocated and unused PTCs to be rolled forward in reaction to high profile plant construction delays and (ii) allowing governments and tax-exempt owners to transfer nuclear PTCs to taxable partners (IRS guidance needed)

Tax Reform Changes Tax Equity Investment Pricing

- As a general matter, tax reform legislation has reduced the valuation of tax benefits available to tax equity investors (e.g., lower corporate tax rate, "BEAT" tax limitations, NOL limitations, interest limitations).
  - As a general matter, tax equity investors have been accepting lower after-tax yields as a result of tax reform but sponsors will also bear impact of tax reform impact in the form of higher cost of capital/greater cash splits for tax equity investors (some more than others)
  - Bonus depreciation generally not being utilized as a method to increase tax benefits because of resulting pressure on "DRO" sizing

Partnership Technical Termination Repeal Makes Secondary Sales Easier

- Tax reform legislation permanently repeals the partnership technical termination rule contained in Section 708(b)(1)(B) of the Code, effective in 2018.
- This repeal allows tax partnership to continue—without resetting depreciation periods and without allowing or requiring new elections—even after the disposition by partners of more than half of the partnership's outstanding capital and profits interests in a twelve-month period.
- Most tax equity partnerships condition transfers of partnership interests on delivery of a tax opinion that proposed transfer will not cause a technical termination or on an indemnity payment for the adverse tax consequences to the non-transferring partners if no such opinion can be provided.
  - Often these tax opinions were not possible to obtain in many "flip" partnership fact patterns and indemnities could be difficult to negotiate.
  - We have observed a significant uptick in flip partnership secondary sales now that these provisions are being routinely waived given Section 708(b)(1)(B) repeal.

Impact on Prepaid Power Purchase Agreements

- Historically, some renewable projects have been financed in part by off-takers through prepaid power purchase agreements that permitted the electricity provider to recognize the advance payments as income over the entire period in which the electricity will be delivered. Similar structures are used, and were originally developed, in the oil and gas industry for long-term gas supply.
- New Section 451(c) requires accrual method taxpayers to recognize certain "advance payments" in the year received, even if the payments are included in financial statement income in subsequent years. *See* Section 451(c)(4)(A).
- New Section 451(c) does not apply if immediate recognition is not a "permissible method of accounting." Thus, for example, our view is that Section 451(c) should not apply if the prepaid power purchase agreement constitutes a commodities prepaid forward contract and/or debt for tax purposes.
- Newly issued Notice 2018-35 requesting comments for the New Section 451(c) Treasury Regulation project does not directly address prepaid PPAs.

Impact on Prepaid Power Purchase Agreements

- If properly structured and reported for accounting purposes, we believe it is still possible (in the absence New Section 451(c) IRS guidance to the contrary) to obtain tax deferral of prepayments received under prepaid power purchase agreements.
  - Prepaid PPAs should be restructured to use commodities forward contract nomenclature and to include a fixed principal zero coupon promissory note to memorialize the prepayment liability under the contract. This "loan" should be treated as repaid from the receipt of offtaker purchase price funds as energy is delivered/purchased under the forward contract.
  - Use of traditional "prepayment" and "advance" payment customer-supplier nomenclature consistent with the Section 1.451-5 Treasury Regulations (now "repealed" by New Section 451(c) per the legislative history) should be avoided to distinguish arrangement from *Comm'r v. Indianapolis Power and Light Co.,* 493 U.S. 203 (1990), line of authority on retail power customer deposit loans v. prepayments. *See e.g. Herbel v. Commissioner*, 106 T.C. 237 (1996) (emphasizing prepayment v. loan terminology and documentation in ruling upfront payments under a "take or pay" gas supply contract represented a taxable prepayment v. non-taxable loan proceeds).
  - Transactions should be supported by robust appraisals and cash flow modeling (as well as upstream credit support or over-collateralization of loan amount as necessary) to comply with longstanding "debt-equity" and "true sale" common law as well as constructive lease rules. "Replacement energy" cost reimbursement should be required if energy can not be delivered as projected with an explicit end of PPA term requirement that unpaid note balance be paid by the energy producer in cash. Other finer points of structures, including "cure" period rights, may need to be adjusted.

Impact of Section 163(j)

- Revised Section 163(j) limits deduction for "business interest" to the sum of
  - Business interest income,
  - 30% of taxpayer's "adjusted taxable income" (ATI), plus
  - "floor plan financing interest."
- Section 163(j)(8) defines ATI as taxable income computed without regard to –
  - Any item not "properly allocable to a trade or business";
  - Business interest or business income;
  - NOL deductions under section 172;
  - The section 199A deduction; and
  - For taxable years beginning before 2022, depreciation and amortization

Impact of Section 163(j)

- Any excess business interest expense is suspended but may be carried forward indefinitely.
- Because renewable projects often rely on project finance, Section 163(j) may require adjustments to transaction structures.
  - For example, Section 163(j) applies only to expenses that constitute "interest" for tax purposes.
  - Thus, it does not affect the use of preferred equity interests.

Section 163(j) – Impact of Capitalized Depreciation

- For 2018-21, ATI is based on EBITDA, i.e., pre-tax income computed prior to any deductions for interest expense, depreciation, and amortization.
- The IRS has taken the position that the cost of producing electricity should be capitalized into cost of goods sold ("COGS"). As a technical matter, the IRS position would require that a non-regulated merchant generator capitalize depreciation into its COGS.
  - Because all GOGS reduce EBITDA, the IRS position could cause ATI to be reduced by capitalized depreciation during years 2018-2021.
  - Based on legislative intent, the merchant generator's ATI during these years should not be affected by whether depreciation is expensed or capitalized into COGS
  - The IRS has not indicated how it will resolve this issue.

SECTION 03

CHANGES AFFECTING REGULATED UTILITIES

Changes to NOL Rules

- Many utilities had large NOL carryovers prior to 2018 due to bonus depreciation.
  - The 80% limitation applicable to post-2017 NOLs does not apply to NOLs generated prior to 2018.
  - Therefore, taxpayers may fully utilize these NOLs to offset post-2017 taxable income.
  - The reduction in corporate rates from 35% to 21% will reduce the value of the NOLs for financial statement purposes.
- The repeal of NOL carrybacks will adversely affect taxpayers engaged in decommissioning nuclear power plants.
  - Under prior law, NOLs attributable to expenses incurred in decommissioning a nuclear power plant could be carried back to the year in which the plant was placed in service.
  - This rule recognized that the cost of decommissioning was, as an economic matter, part of the cost of generating electricity over the life of the plant.
- For 2018 and later years, nuclear decommissioning costs can only be deducted against current or future taxable income from other sources.
  - In many cases, this will delay the taxpayer's ability to obtain a tax benefit from the expenditure.

Other Potentially Negative Changes

- **Contributions to Capital No Longer Tax-Free**
  - Old law that generally provided that a corporation is not taxed on property contributed to it, will not apply to contributions in aid of construction, to contributions as a customer or potential customer or to contributions by any governmental entity or civic group (other than a contribution made by a shareholder as such)
    - Thus, for example a contribution of land by a City to a developer corporation would be taxed to the corporation at the fair market value of the land
    - Related interconnection agreement "gross-up" questions (will IRS "safe harbors" be updated?)
    - Government reimbursements paid to utilities for costs incurred in moving power lines / other energy infrastructure assets via eminent domain or otherwise? Interaction with Section 1033 involuntary conversion rules?

Limitation on Deductibility of Interest

- Perhaps the biggest issue affecting regulated utilities may be a provision from which they are exempt: Section 163(j).
- Section 163(j)(7)(A)(iv) provides an exclusion from the limitation in the case of certain taxpayers that furnish or sell
  - Electrical energy, water, or sewage disposal services,
  - Gas or steam through a local distribution system, or
  - Transportation of gas or steam by pipeline.
- The price for avoiding Section 163(j) is inability to claim bonus depreciation on acquisitions of tangible personal property. *See* Section 168(k)(9)(A).

Exclusion for Regulated Utilities – Scope of Exclusion

- This exclusion applies only if the rates have been established or approved by a State or political subdivision, an agency or instrumentality of the Federal Government, by a public service or public utility commission of a State or political subdivision, or by the governing or ratemaking body of an electric cooperative. Section 163(j)(7)(A).
  - The statutory language is virtually identical to that used to define "public utility property" in Section 168(i)(10).
  - The only material difference is that Section 163(j)(7) does not list telephone and other communication services.

Exclusion for Regulated Utilities – Scope of Exclusion

- The IRS traditionally has interpreted Section 168(i)(10) (and similar language) as applicable only to rates that are subject to rate-of-return ratemaking regulation.
  - *See, e.g.,* Treas. Reg. § 1.46-3(g)(2); Prop. Treas. Reg. § 1.168-3(c)(10)(i); Private Letter Rulings 201722006, 2001619005, 9250006.
  - This interpretation has its origin in the requirement that public utility property described in Section 168(i)(10) be subject to normalization, a concept that is relevant only to rate-of-return ratemaking.
- Given the use of identical wording, it is likely that the IRS will apply this principle to Section 163(j)(7).

Exclusion for Regulated Utilities – Allocation Issues

- Many energy companies have some businesses that will qualify for the public utility exclusion in Section 163(j)(7) and other businesses that will not.
  - This may occur if a business is unrelated to the utility activity.
  - It may also occur if a business is related to the utility activity but is not subject to rate-of-return-based ratemaking.
- In such cases, Section 163(j) will apply to interest expense that is "properly allocable" to the non-utility businesses.
- This distinction will create some difficult allocation issues, not only for the application of Section 163(j) but also for the determination whether a particular business qualifies for bonus depreciation.

Exclusion for Regulated Utilities – Allocation Issues

One potential approach to address some allocation issues would be to provide a de minimis rule.

- For example, Section 7701(a)(33) limits the definition of "regulated public utility" to corporations that derive at least 80% of their gross income from specified sources.
- Although Section 163(j)(7)(A)(iv) does not contemplate any such de minimis exception for non-utility businesses, Treasury reportedly is considering a de minimis safe harbor and/or election. It is unclear whether any such de minimis rule would be on a group-wide or entity-by-entity basis.

Exclusion for Regulated Utilities – Allocation Issues

- Absent a de minimis rule, Section 163(j) will require entities or consolidated groups that own a combination of regulated utility and non-regulated activities to determine how much interest expense is "properly allocable" to the non-regulated trade or business.
- This determination will raise a variety of questions:
  - Is tracing relevant in determining "properly allocable"? *See* Reg. § 1.163-8T(a)(3) ("In general, interest expense . . . is allocated in the same manner as the debt . . . . Debt is allocated by tracing disbursements of the debt proceeds to specific expenditures.").
  - Is asset-based apportionment required? See Reg. § 1.861-9T.
  - Should the allocation be based on relative income?
  - Does the location of debt within a group have any relevance?

Exclusion for Regulated Utilities – Examples of Allocation Issues

- Example 1:
  - X is the common parent of a consolidated group that includes Y, a regulated utility, and Z, a merchant generator. X funds the activities of its subsidiaries by issuing debt and equity and contributing the proceeds as capital contributions to Y and Z.
    - Section 163(j) should apply to the portion of X's interest expense allocable to Z, but not to the portion allocable to Y. How is that determination made?
- Example 2:
  - The facts are the same as in Example 1, except that Y issues debt to fund a portion of its capital investment.
    - Is the total debt of the X group allocated among X, Y and Z, or is the Y debt allocated exclusively to the regulated utility business?

Exclusion for Regulated Utilities – Examples of Allocation Issues

- Example 3:
  - The facts are the same as in Example 1, except that X also has a subsidiary (W) that incurs debt to fund investments in partnerships that own wind and solar projects that are not subject to rate regulation. W has no assets other than its partnership investments.
    - Is W's entire interest expense subject to Section 163(j), or is a portion of W's interest expense allocated to the regulated utility business operated by Y (and thus exempt from Section 163(j))?
- Example 4:
  - X, a regulated utility, places a power plant into service in 2018. X sells 70% of the power generated by the plant to retail customers at a regulated price structured to provide it with a rate of return on its investment. X sells the rest of the power to government installations pursuant to a negotiated price.
    - Do X's unregulated sales attract interest expense subject to limitation under Section 163(j)?
    - If so, is X permitted to claim bonus depreciation on 30% of its basis in the power plant?

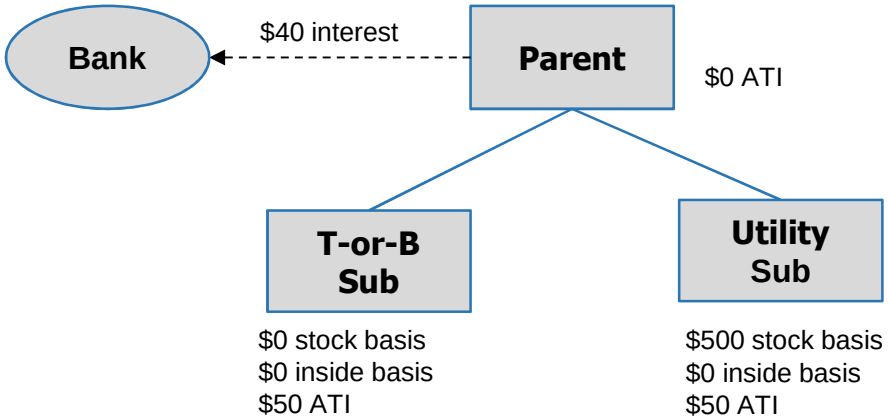
Section 163(j) - Application to Consolidated Groups

- Former section 163(j)(6)(C) provided: "All members of the same affiliated group (within the meaning of section 1504(a)) shall be treated as 1 taxpayer."
- New section 163(j) is silent on treatment of affiliated groups, but the legislative history states that in the case of consolidated groups "the limitation applies at the consolidated tax return filing level."
  - In Notice 2018-28, Treasury and IRS stated that regulations will require that the 163(j) limitation be computed at the consolidated group level.
- Many regulated utilities have affiliates that will be subject to section 163(j), which will put additional pressure on the resolution of how the statute applies to consolidated groups.

Section 163(j) - Application to Consolidated Groups

- In Notice 2018-28, Treasury and IRS announced that future regulations will address the application of section 163(j) to a consolidated group in which one or more members qualify for the exclusion for public utilities.
- According to Notice 2018-28, the regulations will also address how section 163(j) applies to consolidated groups in which a member owns an interest in a partnership that conducts a business that qualifies for the public utility exclusion.

Section 163(j) and Consolidated Groups – Example 1



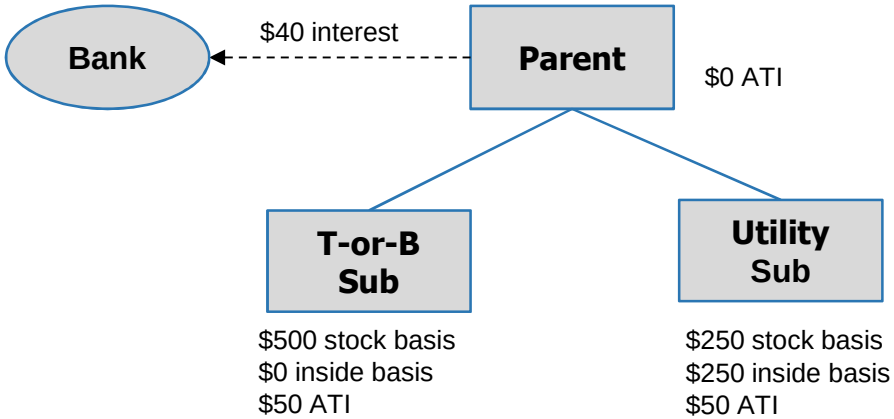
Facts:

- T-or-B Sub is engaged in non-utility business, with $0 outside stock basis and $0 inside asset basis.
- Parent borrows $500 to purchase Utility Sub, with no section 338 election.
- Utility Sub has a $0 inside asset basis.
- Parent pays $40 of interest on the $500 borrowed to acquire Utility Sub. Parent has no other debt.

Issue:

– How much of Parent's interest expense is "properly allocable" to T-or-B?

Section 163(j) and Consolidated Groups – Example 2



Facts:

- Parent owns Utility Sub, with conforming $250 outside stock basis and inside asset basis.
- Parent borrows $500 to purchase T-or-B Sub, which is not a regulated utility.
- Utility Sub has a $0 inside asset basis; Parent does not make a Section 338 election.
- Parent pays $40 of interest on the $500 of new debt; Parent has no other interest expense.

Issue:

How much of Parent's interest expense is allocable to T-or-B?

SECTION 04

CHANGES AFFECTING MASTER LIMITED PARTNERSHIPS

Extension of Deduction on Pass-through Business Income to MLPs

- As previously discussed, new Section 199A provides a 20% deduction for some business income derived by individuals through pass-through entities.
- Section 199A extends the 20% deduction to an individual investor's share of income allocated from an MLP as well as to any recapture income recognized on the sale of an MLP unit.
  - Although the Section 199A deduction for business income from most pass-through entities is subject to a wage-based limitation, that limitation does not apply to income derived through MLPs.
- Combined with the reduction in the top individual rate, the result is a reduction in the income tax rate on MLP investors from 39.6% to 29.6% (pre-Medicare taxes). This preserves most of the advantage of MLPs over C corporations.

Inclusion of Income Taxes in Cost of Service

- Although not directly related to tax reform, a recent ruling by the Federal Energy Regulatory Commission may affect relative tax advantages of MLPs.
- On March 15, FERC ruled that MLPs can no longer include an income tax allowance in cost of service.
  - Specifically, FERC issued a finding that granting an MLP pipeline both an income tax allowance and a return on equity based on a discounted cash flow method results in an impermissible double recovery.
  - Ruling only affects FERC-regulated rates computed by reference to cost of service; does not affect market-based or negotiated rates, even if regulated by FERC.
  - Thus, impact will depend on mix of business at MLP.
  - FERC ruling, in addition to the benefits of structure "simplification," has been identified in the industry press as the reason for recent MLP structure elimination plans/buy-out transactions by corporate sponsors (see e.g. Williams, Enbridge, Cheniere Energy Inc.)
  - Industry and regulatory lawyer work on impact-reduction ideas

Impact of Interest Deduction Limitation on MLPs

- Because many MLPs have a combination of regulated and unregulated income streams, they may be required to allocate ATI and debt between their regulated and unregulated activities (see prior discussion in utility segment of "regulated" rates for Section 163(j) and 168(k) purposes).
- MLPs that have non-regulated activities are subject to Section 163(j).
- Section 163(j) uses an entity rather than aggregate approach for partnerships.
  - If a partnership's business interest exceeds 30% of its ATI, the excess business interest is treated as a nondeductible expense that is allocated to the partners currently.
  - If a partnership's business interest is less than 30% of its ATI, partners may use their shares of the "excess" ATI in computing their deductions for business interest.
  - Otherwise, partnership income is not taken into account in computing partners' ATI.

Impact of Interest Deduction Limitation on MLPs

- For MLPs that have tiered partnership arrangements, Section 163(j) will apply separately to each partnership.
  - This separate application could cause mismatches when some lower tier partnerships have interest expense that exceed 30% of their ATI and other partnerships in the structure have "excess" ATI.
- Ultimately, any limitation on deductibility of interest expenses of an MLP will be borne by its unitholders.
  - Unitholders will receive an allocation of interest expense that is nondeductible and that can only be used to offset future allocations of "excess" ATI from the same MLP.
  - Any remaining nondeductible interest expense will be added back to the investor's MLP units at the time of sale.
  - An unresolved issue is how Section 743 adjustments affect the application of Section 163(j) to partnerships and partners.

Impact of Bonus Depreciation on MLP Investors

- The new bonus depreciation rules permit immediate expensing for assets treated as placed in service after September 27, 2017 through 2022.
  - Beginning in 2023, the deduction phases down to 20% for property placed in service in 2026.
- The new law extends eligibility for bonus depreciation to investments in used property, subject to exceptions for related party transactions.
  - Because MLPs have Section 754 elections in place, one issue that has arisen is whether purchasers of MLP interests may claim bonus depreciation on the portions of their Section 743 adjustments allocable to qualifying property.

Sales of MLP Interests by Non-U.S. Taxpayers

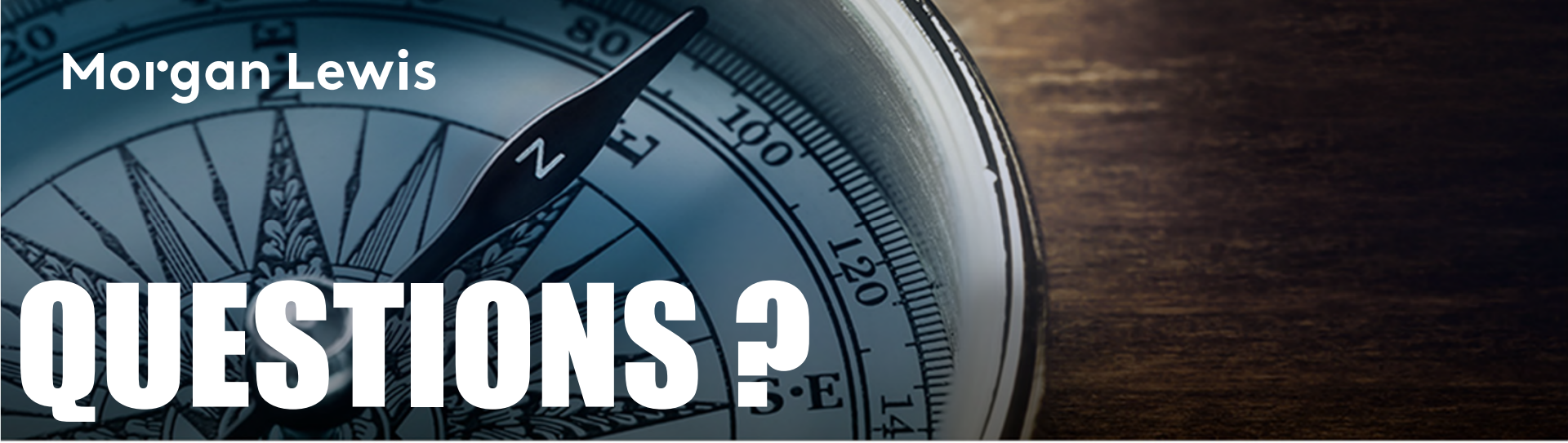
- Under the Act, gain or loss realized by a non-U.S. taxpayer from the sale of a partnership engaged in a U.S. trade or business is treated as "effectively connected" with a U.S. trade or business to the extent that a sale of partnership assets would have produced effectively connected gain or loss.
  - This change overrules the result in *Grecian Magnesite Mining v. Comm'r,* 149 T.C. No. 3 (2017).
- Under new Section 1446(f) of the Code, the transferee of a partnership interest is required to withhold 10% of the amount realized by the transferor unless the transferor certifies that it is not a foreign person.
  - Most critically, the underlying partnership is required to withhold from distributions to the transferee partner to the extent the transferee was required to withhold on the transfer under Section 1446(f) and did not.
  - The legislative history indicates that the IRS may permit brokers to handle the withholding issues that arise when a foreign investor sells MLP units through a broker.
  - Existing foreign partner withholding regulations for MLPs were not designed to work with new 1446(f) regime. Accordingly, in Notice 2018-08, the IRS temporarily suspended application of new 1446(f) to MLPs pending the completion and release of MLP 1446(f) regulations. Notice 2018-29 provides interim 1446(f) guidance outside of the MLP context.

SECTION 05

OTHER OIL AND GAS SECTOR OBSERVATIONS

Tax Reform Observations for Upstream and Downstream Oil and Gas Sectors

- Specific oil and gas industry tax benefits are unchanged, such as the deduction for intangible drilling costs and percentage depletion.
- New Code Section 1031 like-kind exchange limitations unlikely to have major impact on the industry given that the real property rules remain unchanged.
- Oil and gas industry is generally a leveraged international industry that has experienced sharp drops in profitability over the past few years due to commodities price reductions.
  - Thus, the oil and gas industry arguably may be more negatively impacted than other industries in the near term due to NOL and interest deduction limitations as well as new international provisions such as the BEAT tax.
  - Overall, the industry is winner in the middle to long term under the new tax rules.



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THANK YOU

Biography

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Jim Bridgeman's practice encompasses a broad range of business tax issues, including partnerships and joint ventures, mergers and acquisitions, internal restructurings, and structured finance and other financial transactions. His clients include publicly traded and large privately held businesses in the energy, financial services, and real estate sectors. He also represents clients in audits and appeals before the Internal Revenue Service and in tax litigation in the US Tax Court, the US District Courts and the US Circuit Courts of Appeals.

Jim previously served as an attorney-adviser in the Office of Tax Legislative Counsel at the US Treasury Department, where he participated in developing the Tax Reform Act of 1986. He also served in two high-ranking positions at the Internal Revenue Service—special assistant to the chief counsel and deputy associate chief counsel (technical)—where he participated actively in the issuance of regulations and rulings implementing the Tax Reform Act of 1986.

Biography

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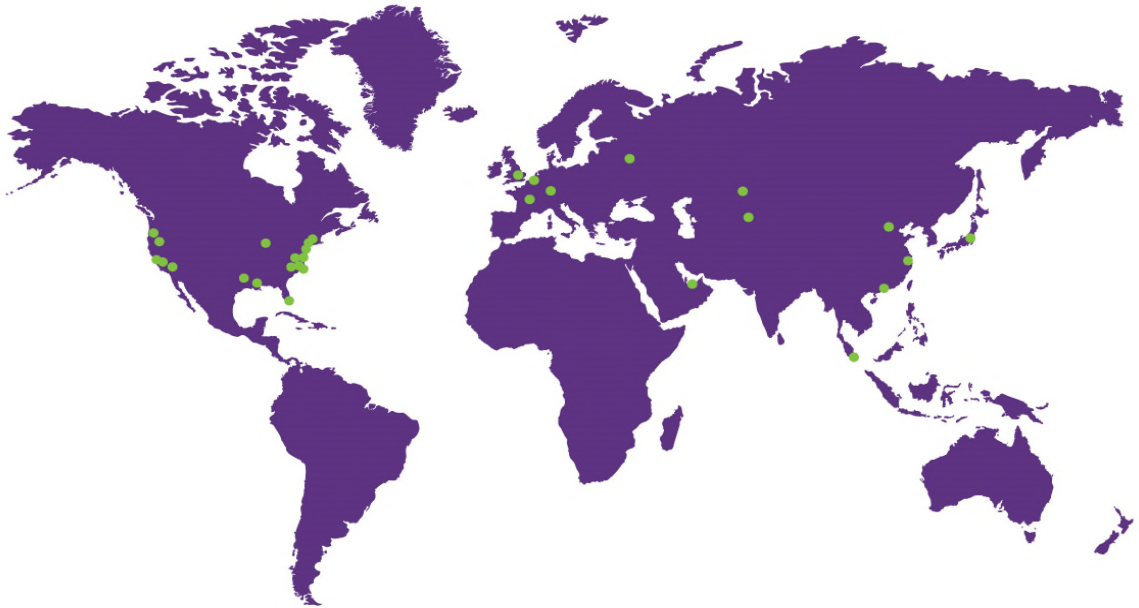
Paul A. Gordon provides transactional planning advice on US federal tax issues to a range of business entities and industries, with an emphasis on energy transactions. He concentrates on planning for mergers and acquisitions (M&A), corporate joint ventures, investment fund formations and portfolio company transactions, energy project finance and infrastructure transactions (involving oil and gas, nuclear, and renewable energy projects), life science technology transfer transactions, and employee stock ownership plan (ESOP) transactions. He regularly provides stand-alone consulting, ruling, and opinion support on complex tax compliance issues. He has lectured with nationally recognized experts on corporate, partnership, energy, and ESOP tax issues.

Our Global Reach

Africa
Asia Pacific
Europe
Latin America
Middle East
North America

Our Locations

Almaty
Astana
Beijing*
Boston
Brussels
Century City
Chicago
Dallas
Dubai
Frankfurt
Hartford
Hong Kong*
Houston
London
Los Angeles
Miami
Moscow
New York
Orange County
Paris
Philadelphia
Pittsburgh
Princeton
San Francisco
Shanghai*
Silicon Valley
Singapore
Tokyo
Washington, DC
Wilmington



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