



One Firm WorldwideSM



TEXAS TAX CONTROVERSY PRACTICE

The Jones Day Texas Tax Controversy team focuses on helping businesses resolve tax controversies with the State of Texas favorably and cost-effectively. We routinely resolve controversies at the earliest possible stage, saving our clients money on tax claims and professional fees. The Jones Day Texas Tax Controversy team has decades of experience resolving tax controversies for clients at every level, bringing the full resources of Jones Day to bear whenever appropriate. We handle tax controversies from the initial detection of the disputed issue through the court of last appeal and all points in between, always with an eye towards improving our client's bottom line. Our experience includes the following:

- Intervening in a series of Texas sales tax audits of a *Fortune* 100 company by limiting extensive and burdensome document requests by the Comptroller, leading to a very favorable and efficient outcome.
- Resolving Texas franchise tax hearings for a *Fortune* 100 company by obtaining complete concessions on all contested issues without the need for a trial or other hearing.
- Successfully representing hundreds of medium- to small-sized businesses in Texas sales tax, franchise tax, mixed beverage gross receipts tax, and other Texas state tax audits and hearings.
- Appearing at the reply-to-the-position-letter stage of a Texas sales tax hearing that involved a major Texas manufacturer and obtaining a favorable Comptroller decision following a complex oral hearing.
- Representing a medium-sized manufacturer in a Texas franchise tax dispute, leading to a favorable decision from the Austin Court of Appeals striking down the underlying assessment due to lack of substantial nexus and awarding all attorneys' fees to the prevailing taxpayer.



Our insight into the process of resolving Texas tax disputes from beginning to end allows us to shape the eventual outcome of a tax controversy from the moment we become involved. We have established lasting professional relationships with key officials at the Office of the Texas Comptroller of Public Accounts and the Office of the Texas Attorney General, built through decades of zealous but fair and professional advocacy that works for the benefit of our clients. Because we handle tax matters exclusively, the Jones Day Texas Tax Controversy team draws on substantial technical, procedural, and strategic knowledge and experience to resolve a wide variety of Texas tax controversies.

EXPERIENCE IN TEXAS TAX CONTROVERSIES

Members of the Jones Day Texas Tax Controversy team have extensive experience handling Texas tax controversies, including the following:

- Obtaining favorable letter rulings and voluntary disclosure agreements preempting difficult and expensive audits.
- Intervening in difficult audits, administrative hearings, and court cases and advising taxpayers on substantive and procedural means to resolve their tax matters.
- Litigating tax controversies from the beginning of the administrative hearing process through trial and appeal, identifying strategic steps to take early to improve the likelihood of winning.
- Representing taxpayers in winning key Texas tax cases and hearings, based on our experience in both substantive Texas tax law and the technical and specialized Texas tax litigation procedures, including handling discovery issues and paving the way for taxpayers to recover attorneys' fees in certain types of lawsuits.
- Saving clients millions of dollars in tax controversies by convincing opposing counsel to capitulate.
- Identifying and implementing creative ways of resolving major disputes favorably without the need for a hearing or trial.

The Jones Day Texas Tax Controversy team has decades of experience resolving tax controversies for clients at every level, bringing the full resources of Jones Day to bear whenever appropriate. We handle tax controversies from the initial detection of the disputed issue through the court of last appeal and all points in between, always with an eye towards improving our client's bottom line.

EXPERIENCE WITH SPECIFIC TAXES

The substantive and procedural issues and methods of prevailing in a tax controversy often vary according to the type of tax. The Jones Day Texas Tax Controversy team has significant experience handling controversies for every major tax imposed in the State of Texas, including the following:

- Texas sales and use tax
- Texas franchise tax (now margin tax)
- Texas unclaimed property/escheat tax
- Texas motor vehicle sales tax
- Texas property tax
- Texas mixed beverage gross receipts tax
- Texas insurance premiums tax
- Texas hotel occupancy tax
- Texas motor fuels tax
- Texas cigarette and other tobacco-product taxes
- Texas inheritance tax
- Texas severance taxes

REPRESENTATIVE INDUSTRIES

The Jones Day Texas Tax Controversy team handles tax controversies for practically every industry, including the following:

- Oil and gas, including exploration, production, refining, and sales and marketing
- Manufacturing
- Construction, including commercial and residential projects, new construction, and remodeling
- Wholesale trades
- Retail trades
- Transportation, distribution, and warehousing
- Data processing and information services
- Technology—hardware, software, and services
- Real estate

- Mining
- Finance and insurance
- Professional, scientific, and technical services
- Management of companies and enterprises
- Educational services
- Arts, entertainment, and recreation
- Hospitality and food service
- Electronic commerce
- Health care
- Agriculture and forestry
- Utilities

KEY MEMBERS OF THE JONES DAY TEXAS TAX CONTROVERSY TEAM

The Jones Day Texas Tax Controversy team consists of more than a dozen professionals, including partners, counsel, associates, paralegals, and project assistants—an arrangement that allows us to provide significant experience efficiently. Several of our team members are also CPAs. A list of selected matters handled by one of the team's key partners is available upon request.

ABOUT JONES DAY

Jones Day offers a full suite of integrated legal services throughout our offices in the United States, Latin America, Europe, the Middle East, and Asia. Our clients, which consist of leading companies in virtually every industry, benefit from the strength of our multidisciplinary teams and the seamless transfer of resources across multiple jurisdictions and borders.

Established more than 100 years ago, Jones Day has over 2,500 lawyers resident in 32 locations in 16 countries and ranks among the world's largest and most geographically diverse law firms. We act as principal outside counsel to, or provide significant legal representation for, a majority of the *Fortune* 500 and approximately half of the *Fortune* Global 500 and the *FT* Global 500.

ADDITIONAL INFORMATION

For additional information regarding the Texas Tax Controversy practice, or for an initial consultation, please contact your principal Jones Day representative or one of the partners listed in this publication. General email messages may be sent using our “Contact Us” form, which can be found at www.jonesday.com.

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