

DYKEMA'S TAX GROUP GETS RESULTS**Taxation and Estates Attorneys**

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Dykema's Tax Group continues to obtain outstanding results. Recent successes include:

- In a case that had significant statutory construction findings, on August 27, 2002, the Michigan Court of Appeals affirmed a Michigan intangibles tax refund for Standard Federal Bank. The court (as had the Michigan Tax Tribunal in granting summary disposition) adopted our reasoning that under the plain statutory language the taxpayer was a savings association, not a bank. Therefore, the customer checking accounts were not includible in Standard Federal's intangibles tax base, where the relevant tax statute imposed the tax on "monies on deposit in the bank," but only on "savings in a savings and loan association."
- This summer, we secured passage of Public Act 442 of 2002, which will result in significant savings in tax compliance for foreign taxpayers by making Single Business Tax reporting much easier for those

who do not have a permanent establishment in the United States.

- We obtained a 17 year grant of Michigan Economic Growth Authority (MEGA) Single Business Tax credits for Nissan Technical Center North America, and we helped Nissan secure the City of Farmington Hills tax abatement that was necessary to obtain the MEGA incentives. In recent years, Dykema's tax group has assisted clients with tax incentive packages that could exceed \$140 million.
- In the Midwest, administrative tax appeal victories are as rare as warm winters, but members of the Tax Group recently achieved two such victories. In one, the Department of Treasury agreed to cancel a Single Business Tax assessment.

The Department agreed that certain retail financing incentives did not constitute interest expense (which is added back to the tax base). In another case, the Internal Revenue Service agreed that our

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DYKEMA'S TAX GROUP GETS RESULTS (CONT'D)

client, who was a corporate officer, was not liable for the "100% penalty" for failure to pay trust fund taxes.

- In another Michigan Tax Tribunal appeal, we recently negotiated a property tax settlement that resulted in a \$19 million value reduction for a mining facility which also, as part of the settlement, obtained a twelve year industrial tax abatement for an expansion.

The firm's tax group is extremely experienced in handling all types of state and local tax matters as well as all types of tax controversy matters. In recent years, the firm's tax attorneys have saved clients hundreds of millions of dollars through tax incentives or successful resolution of federal, state, and property tax controversies.