



AMERICAN UNIVERSITY

KOGOD TAX CENTER





A WEALTH OF KNOWLEDGE



About the Center

MISSION // At the Kogod Tax Center at American University, our mission is to promote independent research and expand knowledge on tax policy, planning, and compliance issues facing small and mid-size businesses, entrepreneurs, and middle-income taxpayers.

PURPOSE // We seek to increase public understanding of the nation's tax laws, and to spur balanced, productive dialogue on the status of current tax law, the challenges of tax compliance and planning, and the potential impact of tax reform.

We offer analysis and solutions to key tax issues that impact:

ENTREPRENEURS // How tax laws and regulations impact job creation and the competitiveness and innovative capacity of the United States.

SMALL AND MID-SIZE BUSINESSES // Which tax policies encourage growth, and how tax laws impact businesses' financial well-being.

MIDDLE-INCOME AMERICANS // The role tax laws play in facilitating decisions about education, retirement, home ownership, and financial security.

Leadership



Donald Williamson has published more than

50

articles in professional and academic journals.

DONALD WILLIAMSON // EXECUTIVE DIRECTOR

Williamson is a CPA, attorney, and professor, and has served as director of the Master of Science in Taxation degree program at the Kogod School of Business for more than 25 years. Previously, Williamson was senior manager for international taxation at the National Tax Practice Office of KPMG in Washington, D.C., and professor-in-residence at KPMG's Washington office. He is a frequent lecturer to professional groups throughout the United States, and has held teaching appointments in Europe and China. He has published more than 50 articles in professional and academic journals and was recognized by the Bureau of National Affairs as its outstanding author for 2007.

Areas of Expertise

- Accounting methods and periods
- Business formation (corporations and pass-through entities)
- Business and family wealth succession (estates, gifts, and trusts)
- IRS procedures and practices
- Real estate transactions
- Research and development tax planning
- State and local taxes
- Small business taxation
- Individual taxation
- International taxation

Leadership



David Kautter has been quoted more than

250

times in recent major media publications.

DAVID KAUTTER // MANAGING DIRECTOR

Kautter is a CPA and attorney, and serves as executive-in-residence in the department of accounting and taxation at the Kogod School of Business. He joined Kogod following a distinguished career as a partner at Ernst & Young LLP, where he held key technical and leadership roles spanning more than three decades. Kautter served as Ernst & Young's Director of National Tax, the chief operating executive for the firm's national tax practices. He was also responsible for maintaining the firm's relationships with tax writing committees and staff on Capitol Hill, the U.S. Treasury, the Internal Revenue Service, accounting and law firms, and the media. Kautter has written extensively on tax law, policy, and compliance issues.

Areas of Expertise

- Federal tax policy
- Accounting methods and periods
- Business formation (corporations and pass-through entities)
- Inventories
- IRS procedures and practices
- Real estate transactions
- Research and development tax planning
- Compensation
- Employee fringe benefits
- Executive compensation
- ERISA
- Federal tax policy and legislation
- Golden parachutes
- Qualified plans
- Stock options and incentive compensation



**LOOKING
AHEAD**

Strategic Initiatives



The Kogod Tax Center's location in Washington, D.C., provides exposure and access to decision makers at the center of political debate focused on tax policy and tax reform.

Four key initiatives shape and guide the Kogod Tax Center's research. Through in-depth analysis and discussion with policymakers, scholars, tax practitioners, economists, business owners, and taxpayers, we:

- Identify key tax issues impacting entrepreneurs, small businesses and middle-income taxpayers, particularly those that create unreasonable burdens and inequities and that impede growth.
- Develop and propose effective solutions through comprehensive technical analysis and dialogue with industry leaders.
- Raise the visibility of key tax issues by facilitating public discussions through workshops, forums and the media.
- Provide educational opportunities on crucial tax issues through a range of symposiums and conferences.

SHAPING POLICY



The leadership at the Kogod Tax Center has provided testimony for the following government hearings:

**United States
Senate Committee
on Finance**

- ▶ Extending 2011 tax provisions important to small businesses.
- ▶ Tax filing season: Improving the taxpayer experience.

**United States House
of Representatives
Committee on
Small Business**

- ▶ The tax outlook for small business: What's on the horizon.

**United States House of
Representatives Committee
on Ways and Means**

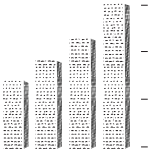
- ▶ Treatment of closely-held businesses in the context of tax reform.
- ▶ How business tax reform can encourage job creation.
- ▶ Tax provisions in the Patient Protection and Affordable Care Act and Health Care and Education Reconciliation Act of 2010.

Internal Revenue Service

- ▶ Temporary regulations on capital improvements and repairs.

Kogod Tax Center leaders lend their expertise to conferences and panels, including the American Accounting Association's Seeds of Innovation Conference. Through a partnership with *Tax Analysts*, they facilitated a roundtable discussion on taxes and small businesses.

Select Research/Publications



Regardless of size, businesses share common priorities for reforming the tax code in ways that will spur economic growth and job creation.

- The Kogod Tax Center, along with Bloomberg BNA's Daily Tax Report, conducted a survey regarding tax reform priorities for small business and medium-to-large enterprises. The results conclude that regardless of size, businesses share common priorities for reforming the tax code in ways that will spur growth.
- In an article published in BNA titled *Solving the 'Flowthrough' Entity Problem in Corporate Tax Reform*, David Kautter highlighted the potential adverse consequences corporate tax reform could have on small businesses and proposed a straightforward "business rate" to level the playing field for corporations and unincorporated businesses.
- The Kogod Tax Center conducted a survey of professional tax preparers that concluded client relations, practice management, and changing tax laws and IRS rules were all contributing factors to the heightened pressure of the 2012 filing season.
- The Kogod Tax Center weighed in on *Southgate Master Fund LLC v. United States* by filing an amicus curiae brief with the U.S. Court of Appeals for the Fifth Circuit. In the brief, Williamson and Kautter expressed reservations about the implications of the holding that an entity will be respected for federal tax purposes "only if it has a non-tax purpose for choosing to do business in one form rather than another." They argued this could hurt small businesses, especially those that incorporate as an S corporation, a form created by Congress and chosen by many small business owners purely for its tax advantages.



MEDIA MENTIONS

Kogod Tax Center Directors have been quoted and featured in numerous national and local media outlets, including:

“PEOPLE JUST DON’T KNOW WHAT THEY’RE EXPECTED TO DO. YOU CAN’T EXPECT EVERYONE TO BE AN EXPERT IN THE INTERNAL REVENUE CODE SINCE THE LAW HAS GOTTEN SO COMPLICATED AND INTRICATE.” — DAVID KAUTTER

The Wall Street Journal

“How Much Will Your Taxes Jump?”

Regarding the American Taxpayer Relief Act: “Many affluent people in exactly the same financial position as last year will see a substantial tax increase.” — David Kautter

The Wall Street Journal

“As Tax Hikes Loomed, Some CEOs Sold Stock”

David Kautter interviews about tax-planning that some corporate CEOs used in 2012, ostensibly to avoid paying higher capital gains taxes in 2013 on sales of stock in their companies.

National Journal

“As Cliff Looms, IRS Braces for Chaos”

David Kautter interviews about how the “fiscal cliff” and the transition to a new IRS Commissioner may affect the Internal Revenue Service’s operations and ability to effectively respond to taxpayer needs.

The New York Times

**“Why Am I Paying
All These Taxes?”**

David Kautter sheds insight on the disproportionate share of Federal taxes paid by Baby Boomers — taxpayers over the age of 45.

USA Today

**“Need Help From the IRS?
Prepare to Wait”**

Donald Williamson observes that the IRS’s budget and staffing problems will only worsen in 2014 when the agency becomes the official collector of penalties related to the new health care reform law.

Wall Street Journal

“Too Rich, Too Soon”

David Kautter explains how effective use of certain types of trusts can shelter an inheritance from estate taxes.



Master of Science in Taxation Program



The Master of Science in Taxation program is rated in the top

10%

in the country, according to a TaxTalent survey.

The Kogod Tax Center provides a unique opportunity for students in Kogod's Master of Science in Taxation (MST) program to engage in tax issues through networking workshops with industry leaders. The MST program is rated in the top 10 percent in the country, according to a recent survey conducted by TaxTalent, the largest online network for tax professionals. Graduates have careers in highly competitive positions with leading employers, including:

AES, Aronson, Baker Tilley, Booz Allen Hamilton, Cherry Bekaert & Holland, CohnReznick, Constellation Energy, Deloitte, Dixon Hughes Goodman, Ernst & Young, Fannie Mae, Freddie Mac, KPMG, Liberty Mutual Group, Lockheed Martin, Marriott, PricewaterhouseCoopers LLP, Raffa & Associates, Watkins Meegan

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