

# Tax Planning and Pa Taxes

This session covered tax-planning models (a subject that evolved from the need for a cash-planning model and turned into a tax planning model session that you should have. A model that takes forecasts/budgets or plans book income and systematically derives taxable income and calculates estimated taxes and corresponding payments.

Jeff Berdahl (RLB Accountants) covered tax planning and his slides are attached. Obviously this is company unique-some of you have extremely complex tax situations with goodwill or deferred financing amortization deductions, bonus depreciation, R&D tax credits, domestic production credits, IC Disc treatment for export related sales and other deductions or credits. Key point is that a focus on book income or EBITDA for planning purposes will likely backfire if you don't have a tax income planning model. His presentation slides saved in the website and are certainly worth reviewing each of them.

Rich Botwright, a tax attorney with Stevens Lee and a former attorney with Pa Department of Revenue, reviewed the points " that Pa. has historically and is currently focusing on. Key discussion points included sales tax (impact of Amazon or Mayfair type transactions) Key point is that most of us focus on Federal tax liability and tax planning and consideration of Pa is crucial-especially since Pa is one of the highest corporate tax states. His slides are also available at the website and should be reviewed.

Both of these SME partners have provided their contact information and welcome an opportunity to discuss your specific questions or situations.

NO meeting in December. January 29 topic is valuations (including review of terminology used, calculations, due diligence, FAS 121 requirements and ESOPs).

Best wishes for safe and happy holidays to all and I look forward to a great year in 2019!

**Housekeeping:**-Minutes, slides and CPE letters are available at [www.thecfosolutions.org](http://www.thecfosolutions.org) under the past events tab. The password for our content is MRC. Download your CPE letter.