

State & Local Tax

Multistate compliance. Real-world *results*.

Foster Garvey's State and Local Tax practice is broad and deep. We help clients with planning, compliance and disputes involving a myriad of state and local tax matters, including the tax aspects of transactions, income taxes, worker classification, payroll taxes, income taxes, excise taxes, sales and use taxes, business and occupation (B&O) and other gross receipts taxes, corporate activity taxes, property taxes, real estate transfer taxes, tobacco taxes and other state and local taxes. Our team regularly represents clients in discussions with state and local tax authorities, including ruling requests, audits, administrative appeals and litigation. The group's litigation experience includes both trial work and appellate practice.

We pride ourselves on understanding our clients' unique business needs, which allows us to create effective, tailored tax solutions. Our clients span diverse industries including healthcare, accounting, law and other professional services, real estate, energy, food processors and manufacturers, transportation, maritime, manufacturing, technology, construction and hospitality. We represent both individuals and a range of major corporations, including well-known REITs and large commercial property owners.

State and Local Income Taxation

Multistate businesses are subject to a myriad of state and local tax laws. Understanding the framework of these laws and how income is allocated and apportioned between states and local jurisdictions is essential. We regularly advise businesses on the complexities of state and local income tax laws, particularly in light of frequent tax law changes. We keep our pulse on the ever-changing state and local tax laws. As an example, we began advising individuals how to navigate Washington's capital gains tax and the City of Seattle's payroll tax even before both pieces of legislation/ordinance were signed into law

Gross Receipts Taxes: Oregon's Corporate Activity Tax (CAT); Washington's Business and Occupation (B&O) Tax

Out-of-state companies unfamiliar with Oregon's and Washington's gross receipts taxes may be caught off guard to learn that they may be subject to tax on their gross receipts earned from business activities in these states. Oregon's CAT is imposed on "commercial activity" in Oregon. In Washington, B&O taxes can be imposed at both state and city levels. Fundamentally, the CAT and B&O taxes are computed as a percentage of gross revenue rather than net income, and they can substantially impact businesses used to operating under typical state income tax systems. We help companies navigate these tax regimes, including recognizing applicable exemptions and conducting strategic planning to minimize their potential impact.

Property Tax Attorneys



Our team brings decades of experience reducing real and personal property taxes for a wide range of commercial, industrial, transportation and utility companies. We are recognized leaders in this arena and have successfully handled some of the most complex and challenging property tax cases. We regularly represent clients in matters involving exemptions, deferrals, incentives, special assessments and a variety of state and federal constitutional issues. Our firm is a longtime member of American Property Tax Counsel, the national affiliation of independent property tax attorneys, representing the organization in the states of Washington, Oregon and Idaho. Visit our [Property Tax practice](#) for more information.

Residency

Whether an individual taxpayer is a resident of one state or another may be a major issue, especially if one state has an income tax (e.g., Oregon) and the other state does not have an income tax (e.g., Washington). Understanding state residency is imperative. Our lawyers regularly advise individual taxpayers about residency, assist them in planning relative to residency, and represent them in controversies with state tax authorities relative to residency

Other Taxes and Fees

We represent clients subject to a variety of other tax issues, including nexus questions, sales and use taxes, and a variety of taxes unique to the Pacific Northwest states. Washington and Alaska, in particular, impose specialized excise taxes that can produce substantial tax liabilities. Faced with the need to find new revenue sources, state and local governments have been imposing new fees in a variety of contexts. Our attorneys have been involved in landmark litigation that successfully argued certain fees are unconstitutional.

Legislation and Consulting

We frequently collaborate with industry associations, taxpayer groups and professional organizations interested in improving the tax laws. We also provide expert testimony before legislative committees and draft proposals for laws and administrative rules. Our experience includes assessment of environmentally contaminated property, taxation of intangible personal property and appeal rights of taxpayers. Our attorneys are active in the American College of Tax Counsel, the American Bar Association Tax Section, the Tax Sections of the Oregon and Washington Bar Associations, Institute for Professionals in Taxation, the Council on State Taxation (COST), American Property Tax Counsel, the Associated Oregon Industries and the Association of Washington Business.

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