

## It's Time to Reform Donor-Advised Funds

By Ray D. Madoff



Ray D. Madoff

2012).

Ray D. Madoff is a professor of law at Boston College Law School. She is the author of *Immortality and the Law: The Rising Power of the American Dead* (Yale 2011) and is the lead author of *Practical Guide to Estate Planning* (with Cornelia Tenney, Martin Hall, and Lisa Nalchajian Mingolla) (CCH

In this article, Madoff argues that the current law governing donor-advised funds provides too much of a benefit to donors and sponsoring organizations, without ensuring sufficient benefit to the charitable sector as a whole. Moreover, the current rules undermine the integrity of the tax system by implicating the government in a “wink and a nod” system that disproportionately benefits the wealthy. To remedy these problems, donor-advised funds should be subject to a seven-year payout requirement, and the rules should be revised to ensure that private foundations cannot satisfy their payout obligations simply by making transfers to a donor-advised fund.

Copyright 2011 Ray D. Madoff.  
All rights reserved.

Donor-advised funds (DAFs) have gone from being a relatively rare phenomenon to being the most popular form of charitable giving. Their extraordinary popularity is due to the fact that they appear to offer donors the best of both worlds: the maximum tax benefits afforded to outright gifts to public charities combined with the capacity to accumulate funds and exert ongoing influence over the disposition of funds, like private foundations. Add to that the ease of accounting and the low cost of establishing a DAF, and it is not surprising to see why donors and their advisers love DAFs and why DAFs have eclipsed all other forms of charitable giving (most recently outnumbering private foundations by a two-to-one margin).

The future of the tax rules governing DAFs is in play. For most of their history, DAFs flew under the radar, receiving little scrutiny from Congress or Treasury. However, in the Pension Protection Act of 2006 (PPA), Congress for the first time provided a statutory definition for DAFs and imposed excise taxes to curb abuses. Moreover, in the PPA, Congress directed Treasury to conduct further studies on DAFs (including on whether there should be a payout requirement) and report back by August 16, 2007. Although the IRS requested comments from the public in Notice 2007-21,<sup>1</sup> no report has yet been filed. However, based on the comments to Notice 2007-21 and the existing literature on DAFs, it seems that one of the proposals under consideration is to impose a 5 percent payout obligation on sponsoring organizations, similar to that imposed on private foundations.

In this article, I argue that while DAFs serve a valuable function by offering a low-cost alternative to private foundations, they should be adequately regulated to ensure they provide sufficient benefit to the charitable sector. As currently regulated, DAFs provide too much of a tax benefit to donors and sponsoring organizations without ensuring a commensurate benefit to the charitable sector as a whole. Also, the legal regime governing DAFs undermines the integrity of the tax system by implicating the government in a “wink and nod” system that encourages artifice over substance. That practice leaves donors and the public vulnerable to sponsoring organizations and weakens the legitimacy of the tax system. Congress should solve these problems — and strengthen both our tax system and the charitable sector — by abandoning the fiction that DAFs are like other public charities and by imposing a real payout requirement. Although it is tempting to reach for the 5 percent rule applicable to private foundations, it would be a mistake to do so. Instead, DAFs should be recognized for how they operate: as tax-favored charitable checking accounts that should be subject to a seven-year payout requirement. Moreover, Congress should make clear that contributions to DAFs do not qualify for purposes of meeting the 5 percent payout rule imposed on private foundations.

<sup>1</sup>2007-1 C.B. 611, Doc 2007-3164, 2007 TNT 26-3.

### A. What Is a DAF?

A DAF is an account maintained by a public charity, called a sponsoring organization, to receive charitable donations. The sponsoring organization agrees to maintain the donation in a separate account and to receive advice from the donor about how to spend the money. Because the sponsoring organization has legal ownership of the donated funds, donors get an immediate charitable tax deduction for money transferred to a DAF, regardless of when, if ever, the money is distributed to an operating charity. Moreover, because the sponsoring organization is a public charity and not a private foundation, donors receive the most generous tax benefits available for their charitable donations.

To provide these beneficial tax results to donors, the sponsoring organization must legally own and control the property in the DAF just as it would own an outright contribution. The corollary to ownership and control by the sponsoring charity is that the donor must not have any legal right to control the disposition of the property. Contractual agreements between donors and sponsoring organizations conform to those requirements. However, despite these legal niceties, people establish DAFs because of the understanding that they, as donors, will control the disposition of the funds. That understanding is conveyed artfully in the marketing material regarding DAFs. For example, one sponsoring organization describes DAFs as “a type of charitable giving program that allows you to combine the most favorable tax benefits with the flexibility to support your favorite charities at any time.”<sup>2</sup> Many sponsoring organizations capture the idea of donor control more colloquially by referring to their DAFs as “charitable checking accounts.”

The statutory definition of DAFs also captures the disconnect between the legal rules and the understanding of the parties. The statute defines a DAF as a fund or account that is owned and controlled by a sponsoring organization, separately identified by reference to contributions of a donor or donors, and for which the donor has or reasonably expects to have advisory privileges regarding the distribution or investment of the assets in the fund.<sup>3</sup>

DAFs were originally established by community foundations to encourage individuals to engage in

long-term involvement with the communities they served. From the 1930s through the end of the 1980s DAFs were a small part of the charitable sector. However, in 1991, Fidelity Investments created the first commercially backed sponsor of DAFs. Soon thereafter, other financial institutions followed suit and the popularity of DAFs exploded.

As of 2009, there were more than 150,000 DAFs in the United States, outnumbering private foundations by more than 2 to 1. The largest sponsoring organization for DAFs — the Fidelity Charitable Gift Fund — is the third largest public charity in the country. Despite the prevalence of DAFs, most Americans are not even aware of what they are, let alone the questions they raise.

### B. Advantages and Disadvantages of DAFs

While DAFs provide enormous benefits to donors and some sponsoring organizations, their impact on the broader charitable sector is more mixed.

**1. Donors.** DAFs offer both tax and administrative benefits to donors. The advantages of DAFs have been well documented and include the following:

- Donors can claim an income tax charitable deduction in the year that the DAF is funded, even though the ultimate distribution to the operating charity may not be made until many years into the future.
- Donors can obtain a charitable deduction for the full fair market value of appreciated property transferred to a DAF, including real estate and closely held business interests.<sup>4</sup> That is unlike transfers to private foundations in which the charitable deduction for property other than publicly traded securities is limited to the donor’s adjusted basis in the property.
- Donors are not subject to the smaller annual limitation for charitable gifts to private foundations (30 percent of income for gifts of cash and 20 percent of income for gifts of stock); instead, they are subject to the more generous limitation applicable to gifts to public charities (50 percent of income for gifts of cash and 30 percent of income for gifts of appreciated property).

---

regarding which a donor advises a sponsoring organization about grants for travel, study, or similar purposes, provided that specific requirements are met.

<sup>4</sup>Many commercial DAFs market themselves as being able to handle “complex assets.” As Fidelity Charitable Gift Fund states in its marketing materials: “For many, charitable contributions of illiquid assets — private C- and S-Corp stock, restricted stock, limited partnership interests, and other privately held assets — may be an effective and tax-efficient method of giving,” available at <http://www.charitablegift.org/giving-strategies/tax-estate-planning/donate-non-publicly-traded-assets.shtml>.

---

<sup>2</sup>Fidelity Charitable Gift Fund fact sheet, available at [http://personal.fidelity.com/myfidelity/InsideFidelity/NewsCenter/mediadocs/charitable\\_gift\\_fund.pdf](http://personal.fidelity.com/myfidelity/InsideFidelity/NewsCenter/mediadocs/charitable_gift_fund.pdf). Note that it gives the “flexibility,” not the “right,” to support favorite charities.

<sup>3</sup>Section 4966(d)(2). The term “donor-advised fund” does not include a fund or account (1) that makes distributions only to a single identified organization or governmental entity, or (2)

(Footnote continued in next column.)

- DAFs can be used for donors who want to support foreign charities. Donors are able to claim a charitable deduction for transfers to a DAF and then “advise” the DAF to benefit a foreign charity when a direct gift to a foreign charity would not otherwise be eligible for the charitable deduction.
- Under current law, DAFs have no payout requirements, whereas private foundations must pay out at least 5 percent of their asset value each year.
- DAFs can be used to accumulate funds to make a significant contribution to a charity.
- DAFs simplify year-end tax planning because they offer a ready-made vehicle to receive property that is going to be committed to charity without requiring the donor to choose the charity. Thus, DAFs can give donors time to reflect on their charitable choices.
- DAFs provide significant administrative advantages to donors in comparison to private foundations. DAFs are much easier and less expensive to create and maintain, as a private foundation requires an initial application for tax-exempt status and then annual federal and state filing fees.
- DAFs provide administrative advantages to donors who do not want to keep track of receipts for each of their charitable donations.

Despite the many advantages, there are some disadvantages to donors of DAFs arising from the fact that to achieve the desired tax results, donors must legally give up all control over donated funds and cannot receive any benefit from the funds.

- Donors are vulnerable to sponsoring organizations that disregard donors’ advice and instead use the funds for their own purposes. In a recent case, a donor transferred more than \$2.5 million to a DAF sponsored by the Friends of Fiji. However, rather than transferring the property as the donor requested, the trustees of the sponsoring organization used the money to pay themselves large salaries, sponsor celebrity golf tournaments, and pay more than \$500,000 in legal fees defending themselves in a lawsuit brought by the disgruntled donor. The Nevada Supreme Court held that the donor could not recover funds transferred to the DAF because under the legal agreement entered into, the sponsoring organization had full, legal control over the donated funds.<sup>5</sup>

<sup>5</sup>Richard L. Fox, “Recent DAF Cases Raise Issues of Charities Facing Financial Difficulties,” 37 *Estate Planning* 32 (2010). On appeal, the Supreme Court of Nevada affirmed the district court’s decision, stating that the district court correctly found

(Footnote continued in next column.)

- Donors’ funds are vulnerable to the creditors of the sponsoring organization in the event of the sponsoring organization’s bankruptcy. At the National Heritage Foundation, 9,000 DAFs totaling \$25 million were wiped out under a reorganization plan approved by the federal bankruptcy court for the Eastern District of Virginia in Alexandria.<sup>6</sup> The National Heritage Foundation continues to operate today, collecting funds from unsuspecting donors and is still listed as a charity in good standing in IRS Publication 78, *Cumulative List of Organizations Described in Section 170(c) of the Internal Revenue Code of 1986*.<sup>7</sup>
- To meet the requirements under the PPA, a DAF cannot be used to satisfy a donor’s pledge to a charitable organization.
- Under current law DAFs are not eligible to receive rollover funds from an IRA, although many donors and sponsoring organizations would like to see this rule changed.

**2. Sponsoring organizations.** DAFs provide revenues to sponsoring organizations. That provision is particularly advantageous for DAFs affiliated with financial institutions as the revenues provide a ready source of management fees to the related financial institution.

The effect of DAFs on noncommercial sponsoring organizations, like community funds, is more mixed. Because these organizations have their own charitable mission — beyond the accumulation of funds for other charitable missions — DAFs are valuable to the extent that they attract additional money to the organization (presumably the reason these organizations set them up in the first place). However, noncommercial sponsoring organizations can be disadvantaged by DAFs to the extent they limit the organizations’ immediate access to those funds.

**3. The charitable sector.** Supporters of DAFs argue that they have been advantageous to the charitable sector because DAFs have attracted billions of dollars in charitable donations in the past 20 years. However, the growth of DAFs has not necessarily benefited the charitable sector. Funds held in a DAF

that the donor “gave up any interest in the money when he made the un-restricted gift to FOF, allowing FOF the discretion to reject any of his recommendations for the donation’s use.” *Styles v. Friends of Fiji*, No. 51642 (Nev. 2011). Further, the court held that because the donor “relinquished all power and control over the contribution by the terms of the donor-advised-fund agreement, the district court also acted within its discretion by declining to rescind the contract.” *Id.*

<sup>6</sup>See *In re National Heritage Foundation*, No. 09-10525 (Bankr. E.D. Va. 2009).

<sup>7</sup>See <http://www.nhf.org/> and <http://www.irs.gov/app/pub-78/>.

do not benefit the charitable sector until they are distributed to operating organizations. Therefore, the effect of DAFs on the charitable sector must be judged by the amount of money that leaves DAFs and not just the amount that goes in. To understand the effect of DAFs on the charitable sector, it is important to understand (1) whether DAFs have increased the total amount of dollars coming from donors to the charitable sector as a whole, and (2) the impact of the growth of DAFs on the payout of funds to operating organizations.

Evidence suggests that despite the exponential growth of DAFs in recent years, that growth has not necessarily produced additional dollars for the charitable sector. According to the latest numbers from Giving USA, annual charitable giving as a share of disposable income has remained remarkably constant — hovering at approximately 2 percent — over the last 40 years. Indeed, in 1970, before the recent growth of DAFs, charitable giving was slightly higher as a percentage of disposable income than it was in 2010: 2.2 percent as opposed to 1.9 percent. Similarly, charitable giving as a share of GDP has also remained constant, hovering at approximately 2 percent over the last 40 years. Research suggests that charitable giving closely correlates with stock market values (and the values of the S&P 500, in particular).<sup>8</sup> That suggests that the growth of DAFs is most likely a result of donors changing the form of their charitable giving to DAFs from other alternatives (including outright gifts to operating charities).

If the growth of DAFs represents a mere change in form of charitable giving, then the effect of DAFs on the charitable sector depends on what otherwise would have been done with the charitable donation. Donations to private foundations might initially appear to be better for the charitable sector because private foundations are subject to a 5 percent payout rule while DAFs have no payout requirements under current law. However, that is not necessarily the case. First, a 5 percent payout rule does not necessarily translate to 5 percent for the charitable sector because a foundation can count trustee fees and other administrative expenses toward that 5 percent. Moreover, increasingly, many private foundations use the 5 percent target as a ceiling as well as a floor. By contrast, although DAFs are not subject to any payout requirement, evidence suggests that on the whole, they pay out at higher rates than private foundations.

Nonetheless, one clear disadvantage of DAFs for the charitable sector occurs when private foundations use DAFs to satisfy their obligations to spend

5 percent of their asset value in charitable pursuits. By contributing to a DAF, those foundations are meeting the letter of the law but clearly skirting its purpose.

### C. Additional Problems With DAFs

Regardless of their effect on the charitable sector, DAFs raise other problems that Congress should address. First, DAFs are problematic because they are based on deception, undermining the integrity of the tax system and leaving donors vulnerable to the policies and financial stability of sponsoring organizations. Second, by treating contributions to DAFs the same for tax purposes as contributions to operating charities, the government is sending the wrong message to donors. Finally, by failing to impose meaningful payout obligations, the rules governing DAFs do not adequately protect the charitable sector.

**1. DAFs are built on deception.** DAFs encourage donors and sponsoring organizations to operate with a “wink and a nod” and to intentionally enter into legal agreements that differ from their understanding of their relationship.

To deliver the desired tax benefits, the legal documents governing DAFs must provide that the donor has no further say on how their donated property is used. However, everyone — including donors, sponsoring organizations, and the IRS — understands that the reason people create DAFs is so they can continue to direct the use of donated funds.

Donors rely on the economic incentives of sponsoring organizations to ensure that their understanding of the relationship is effectuated. Generally, that works out fine because the sponsoring organization usually has no incentive to deviate from the understanding. That is particularly true for commercial DAFs when the organization lacks its own charitable mission beyond the accumulation of charitable funds and the primary motivation is to generate revenue from the funds under management. However, even noncommercial DAFs that don't have a profit motive and have their own charitable goals — like community funds — understand that it is not in their interest to impose their own wishes on the donated funds.

Whether or not that deceptive system “works” in most situations, transactions based on a wink and a nod are inherently problematic.

First, by sanctioning a deduction that operates on that basis, the government undermines the legitimacy of the tax system. This is particularly problematic when it involves a provision — like the one applicable to DAFs — that disproportionately applies to the wealthy, because it supports a notion that the wealthy play by different rules.

<sup>8</sup>Giving USA 2011.

Also, as illustrated by the cases involving the Friends of Fiji and the National Heritage Foundation, the deception leaves donors vulnerable to unscrupulous and insolvent sponsoring organizations that choose to exert their legal rights over the funds rather than honoring their “understanding” with the donor. Those cases harm not just donors, but also the taxpaying public that funded those transfers, as well as the country as a whole, which loses access to funds that had been intended for charitable use.

**2. It is inappropriate to treat DAFs the same as operating public charities.** There is a significant difference between donations to operating public charities and donations to DAFs, and the government should be more explicit in expressing that distinction. The charitable sector does important work in this country and it needs funds to do it. The tax system encourages donations by providing generous tax subsidies, but in doing so, the government should be mindful of fulfilling the goals of the charitable deduction — namely, funding charitable pursuits. By treating contributions to DAFs the same as contributions to operating public charities, the government is sending the wrong message to the donating public.

Consider a donor who is ready to donate \$1 million and is either going to give that donation to the American Red Cross or to a DAF. Current law treats those transfers identically. However, the donation to the Red Cross is immediately available to be put to work in disaster relief (and not insignificantly, that money is also available to fuel the economy by employing individuals and purchasing goods and services). Therefore, the goals of the charitable deduction are fulfilled on transfer. However, with the alternative — a transfer to the DAF — while the money might be segregated for charitable use, it has not yet been committed. No charitable purposes are accomplished simply by setting money aside in a DAF. For the goals of the charitable deduction to be fulfilled, money must be distributed from the fund and committed to an operating charity.

The lack of payout obligation for DAFs puts the government in the awkward position of sending the message that it is inconsequential from the government’s perspective whether charitable dollars are being put to work to address society’s problems and provide an economic boost or simply sitting in a bank account paying out management fees.<sup>9</sup>

**3. The lack of payout requirement endangers the future of the charitable sector.** Moreover, as DAFs

have become the most popular vehicle for charitable giving (outnumbering private foundations 2 to 1), the lack of payout requirement endangers the future of the charitable sector, which increasingly will depend on payouts from DAFs to do their work.

Many of the comments submitted on behalf of the status quo rules applicable to DAFs argue that the government need not impose any payout obligation since it is common practice for DAFs to pay out at relatively high rates (in 2010 it was estimated that DAFs distributed 17 percent on average). However, Congress and Treasury should not rely on “common practices” to keep them from establishing appropriate standards, as those can change from year to year. If the government wants donors to make distributions from their DAFs (as it most certainly must), then it is important for it to say so directly.

#### **D. Imposing a Payout Requirement on DAFs**

DAFs serve many valuable functions. They facilitate charitable giving, decrease administrative costs, and, most notably, provide a cost-efficient alternative to private foundations. Yet the current treatment of DAFs is problematic because it is based on deception and fails to ensure adequate payout to the charitable sector.

One solution is to impose a 5 percent payout requirement on either the sponsoring organization or the individual account. However, that approach would undermine much of what is valuable about DAFs while failing to adequately protect the charitable sector.

First, any payout rule needs to be imposed on the individual DAF rather than on the sponsoring organization. Many of the comments to Notice 2007-21 urged the government that if it is going to impose a payout requirement, then it must do so on the sponsoring organization and not on the individual DAF. However, to have a coherent tax rule, payout rules must be imposed on the basis of each donor fund as opposed to the sponsoring organization as a whole. It is the individual donor who is enjoying the extraordinary tax benefits of the charitable deduction associated with contributions to DAFs, so the donor should be the one subject to the payout requirement. If the government were to impose the obligation on the sponsoring organization, then it would create a perverse incentive for donors to shop among sponsoring organizations to find one that would offer donors longer payout terms. Moreover, why should an individual donor have little or no payout obligation simply because another donor to the same sponsoring organization is paying out more quickly?

Once the payout rule is applied to each fund, additional problems of imposing a 5 percent payout

<sup>9</sup>Arguably, that is one reason why private foundations have been treated less favorably under the law than public charities.

rule become clear. Namely, applying the 5 percent payout rule applicable to private foundations to DAFs is, as a practical matter, both too strict and too generous, and as a conceptual matter, inappropriate.

**1. Five percent would be too strict.** A 5 percent annual payout requirement on DAFs may undermine the very features that make DAFs so attractive.

One of the most valuable things about DAFs is that they are relatively inexpensive to establish. However, sponsoring organizations claim that it would be very costly to manage an annual payout requirement. Sponsoring organizations would undoubtedly pass those costs on to donors, which could make DAFs much less cost effective. Also, DAFs are frequently used to receive assets that need time to be liquidated. An annual payout requirement would be burdensome in that situation as well. Finally, DAFs are often used for donors who want to make distributions over time or be able to accumulate funds over several years to make a significant gift. Annual payout rules also would work against that use.

**2. Five percent would be too generous.** Paradoxically, not only would an annual 5 percent payout rule be too strict, it also would be too generous.

The tax benefits afforded to charitable donations to DAFs are far more generous than those given to private foundations. Therefore, it would be appropriate for donors to DAFs to have faster payout requirements.

The greatest tax advantage of DAFs is the ability for donors to claim a full FMV deduction for appreciated property, beyond marketable securities. The rule allowing a full FMV deduction for appreciated property is extraordinarily generous because it enables the charitable deduction to operate as a tax shelter.

The financial advantages of transferring appreciated property are significant. For most taxpayers, the charitable deduction simply allows them to avoid taxation on income to the extent that they direct that income to charity. So if a person earns \$100,000 and makes a \$1,000 contribution to charity, the effect of the charitable deduction is that the \$1,000 is not subject to income tax. The contribution to charity provides a net tax value to them of zero. However, if a person can get a full FMV deduction on appreciated property that has never been subject to income tax, then that charitable deduction can be used to offset other income and provide a net gain to a taxpayer. A \$1 million charitable donation of cash from earned income has a net benefit to the donor of zero (assuming a 35 percent tax rate, the income is subject to \$350,000 of tax and the deduction is worth \$350,000). That is in sharp contrast to

the situation applicable to a \$1 million charitable donation of appreciated property when the appreciation is subject to zero income taxes, and the charitable deduction provides a net benefit to the donor of \$350,000. It is little wonder that Congress sought to limit the benefit from the deduction of appreciated property by significantly limiting its availability for transfers to private foundations.<sup>10</sup>

Given the generosity of the deduction, it is appropriate for DAFs to be subject to faster payout rules than private foundations.

**3. Five percent is conceptually inappropriate.** The 5 percent rule applicable to private foundations is not appropriate for DAFs.

The 5 percent payout rule was adopted as a way to ensure perpetual life for private foundations. While the wisdom of perpetual life as applied to private foundations is questionable at best, it is arguably appropriate when a donor has a particular charitable mission (such as the creation and operation of a school) that he wants to fulfill in perpetuity. However, that justification has no application to DAFs, which are specifically geared for those who are not ready to commit to a particular charitable goal.

#### E. A Better Approach for DAFs

Rather than being subject to an annual requirement, all funds in a DAF should be required to be paid out in full by the end of seven years. That would be a more workable and appropriate payout system for DAFs and would preserve their best aspects while still ensuring that funds for which the charitable deduction has been granted get to work addressing charitable goals.

A fixed-term payout rule could be easily administered by requiring that, as a condition of the charitable deduction, the DAF must designate a charity that will receive any property remaining in the account after the termination of the seven years. Flexibility would be maintained because a donor would be free to make distributions to other charitable organizations during that time period. To manage annual contributions, the sponsoring organization would only need to maintain separate sub-accounts that referenced the year of the donated funds. Donors' distributions would be presumed to come out of the accounts chronologically, unless the donor specifically notes otherwise.

A fixed-period payout requirement would directly acknowledge the valuable benefits being given to charitable donations to DAFs while preserving many of the features that make them so

<sup>10</sup>It is unclear whether Congress should continue to provide that benefit at all, but that is beyond the scope of this article.

popular and desirable, including having low administration costs, allowing adequate time to liquidate property, and allowing for the accumulation of funds for a reasonable period of time.

There are additional advantages to this approach as well. Most importantly, treating DAFs the way people use them increases transparency and improves the legitimacy of the tax system. Requiring a real payout sends the right message to donors that they have not done enough simply by funding their DAF. Also, by recognizing DAFs as a distinct vehicle, rules can be enacted that protect donors and the American public from unscrupulous or insolvent sponsoring organizations. Finally, by recognizing DAFs as something other than a true public charity, Congress can enact rules that make clear that private foundations cannot satisfy their 5 percent payout requirement simply by making contributions to a DAF.

Congress has already taken an important first step by adopting a statutory definition of DAFs. Now, it and Treasury should finish the job by adopting operating rules that protect the integrity of the tax system and the future of the charitable sector.

*Tax professionals need to be  
indispensable to their clients.*

*Which is why we're indispensable  
to tax professionals.*

Clients rely on tax professionals; so, they rely on us. *Tax Notes Today* covers all the breaking federal tax news, delivers insightful news analysis, and provides a daily inside track to essential tax documents. To discover why it has become the standard for the profession, please visit [taxanalysts.com](http://taxanalysts.com).

**tax notes today**<sup>®</sup>

**taxanalysts**<sup>®</sup> *The experts' experts.*<sup>™</sup>