

The Laterals Audit: Tax Attorney Moves In January

By **Vidya Kauri**

Law360, New York (January 31, 2017, 8:30 PM EST) -- In this latest edition of the Laterals Audit, Covington & Burling LLP, Steptoe & Johnson LLP and Alston & Bird LLP made powerful hires with the addition of experts who have worked closely with federal policy makers, Lewis Brisbois Bisgaard & Smith LLP acquired a San Francisco-based boutique firm, and Reed Smith LLP undertook a slew of hires from a failing law firm in London.

Anticipating significant movement on tax policy under an incoming Republican trifecta government, Covington & Burling LLP brought a former tax counsel on the U.S. Senate Finance Committee to its public policy and government affairs practices.

The firm announced that Ed McClellan, a former tax counsel for the Senate Finance Committee, will be actively involved in tax policy advocacy for Covington, as the incoming Congress works toward major tax reform objectives outlined by the GOP last year.

As counsel for the Senate Finance Committee from 1999 to 2005, McClellan worked on the 2001 Bush tax cuts, the first tax bill in the history of the Senate to pass through reconciliation, a procedure under which a bill can pass free of filibuster threat with a simple majority. McClellan was also involved in the expansion of the tax cuts passed again via reconciliation two years later.

The experience could prove valuable in a session in which the GOP is eyeing ambitious tax policy objectives despite a narrow Senate majority and contentious political atmosphere. Reconciliation may be the only way for Republicans to get a tax overhaul through the Senate, and McClellan possesses a rare knowledge of what that process entails.

McClellan told Law360 that there is tremendous private sector interest in GOP plans to cut corporate tax rates, provide a 100 percent exemption for foreign earnings, allow full expensing of capital investments and realign the corporate tax code to a "border adjustment" scheme that taxes earnings based on where goods are ultimately consumed.

The novelty of the border adjustment plan is likely to stoke the appetite for feedback of staffers tasked with writing the policy into law, since no operating model of the plan exists to spotlight potential unexpected challenges under the new system, McClellan said.

As a senior policy and technical adviser to Chuck Grassley, a Republican member of the Joint Committee on Taxation, McClellan has the ear of members of the current Senate majority. Although the addition of

McClellan would appear to indicate plans to woo Republican lawmakers on tax policy, Covington partner and former Attorney General Eric Holder is bracing for a decidedly more confrontational relationship with the GOP government, leading a team of Covington lawyers representing the California Legislature in any legal challenges that President-elect Donald Trump's administration may pose to state policies regarding civil rights, immigration, climate change and health care.

Steptoe & Johnson LLP also nabbed a high-ranking official from the public sector by hiring M. Ruth M. Madrigal, the former tax-exempt organizations lawyer and policy adviser at the U.S. Department of the Treasury's Office of Tax Policy.

Madrigal joins Steptoe's tax group as a partner after spending six years drafting regulations and administrative guidance for the tax-exempt sector that included Treasury guidance on both program-related and other mission-related investments. She also updated the rules for foreign grant-making and contributed to new regulations laying out the requirements faced by tax-exempt hospitals, Steptoe said.

According to the announcement, Madrigal also spent her time at Treasury working on legislative proposals related to charitable organizations in addition to representing the department in both public hearings and meetings with a host of stakeholders ranging from other agencies to foreign governments, federal lawmakers and local regulators.

Madrigal told Law360 that she left the Treasury Department in May and spent the months between then and her first day at Steptoe in early January on sabbatical. She said she had stayed at Treasury, where most come and go in two to three years, because she wanted to finish regulations on foreign grant-making and impact investment that she'd started when she first took the job.

Before joining the Treasury Department, Madrigal worked with exempt organizations on issues such as rules for private foundations, unrelated business activities, entity choice, intermediate sanctions and various reporting and governance matters. Madrigal represented her clients in front of the Treasury as well as the Internal Revenue Service and Congress, Steptoe said.

Madrigal received her Bachelor of Science degree from California Polytechnic State University and her law degree from Harvard Law School.

Alston & Bird LLP is also making inroads within Congress with the addition of the former federal government affairs director at Mars Inc. to its legislative and public policy team, according to an announcement.

Shannon Campagna is the sixth high-level addition to Alston & Bird's D.C. office in the last year, the firm said praising her lobbying work "on a wide array of issues" that went beyond food to include taxes, sustainability, trade, commodities, foreign aid and marketing.

Campagna's lobbying work has crossed the spectrum from trade associations to one major public and one major private corporation. The two trade associations — following roughly seven years on Capitol Hill — were the Retail Industry Leaders Association and the National Beer Wholesalers Association, which Campagna followed up with time at publicly traded Safeway Inc. and most recently privately held Mars, where she worked for nearly six years, the firm said.

Campagna got her start with the House Ways and Means Committee, according to Alston & Bird, which describes her as a seasoned professional with in excess of 25 years of experience under her belt. Her lobbying work has included trade, tax reform, and fighting for the successful repeal of the country-of-origin

labeling requirements pertaining to meat products, which Mars had feared would lead to tariff retaliation from Canada and Mexico.

Meanwhile, a former vice president of CBS Inc., Alvan L. Bobrow, has accepted a partner position in the New York office of Akerman LLP, leaving his most recent management role at Mayer Brown LLP to lend his experience counseling companies on everything from international to local tax matters.

Akerman touted Bobrow's tax work on behalf of clients in the financial services, real estate, manufacturing, e-commerce, entertainment and media industries. While at CBS, where he also served as general tax counsel, the class of '72 Brooklyn Law School graduate drafted the national multistate income apportionment rules for broadcasters, according to Akerman.

Bobrow also advises international companies setting up locations in the U.S., deals with "treaty permanent establishment" and "constitutional nexus" issues, and boasts a criminal defense practice focused on tax fraud investigations and other government probes, the firm said.

Trusts and estates tax lawyer Seth D. Slotkin, a former Stroock & Stroock & Lavan LLP partner, joined the private client services group of Akin Gump Strauss Hauer & Feld LLP, bringing with him extensive experience counseling "high-net-worth clients" on trusts and estates along with charitable giving, according to an announcement.

With experience spanning more than 20 years, Slotkin has worked with executives and young entrepreneurs on tax and estate planning, succession issues, and the establishment and management of foundations and private charities, Akin Gump said.

The firm pointed out Slotkin's forte on estate tax planning through business entities such as partnerships and sophisticated trusts that include intentionally defective grantor trusts and grantor retained annuity trusts.

According to the firm, Slotkin received his law degree in 1995 and a Master of Laws in 2002, both from the New York University School of Law, and he chairs the United Jewish Appeal-Federation of Jewish Philanthropies' Trusts and Estates Committee. The firm also noted his membership on New York Presbyterian Hospital's Planned Giving Advisory Committee.

Lewis Brisbois Bisgaard & Smith LLP announced that it has added five lawyers to its roster by acquiring Meyer Law Group, a San Francisco-based boutique firm that specializes in immigration matters, including those related to employment and taxes.

Partners Brandon Meyer and William Taylor each have more than a decade of experience in business immigration, including immigrant investor matters, cross-border tax compliance and visas, according to the firm.

The two partners are joined by three associates and eight support professionals, all bringing their experience advising corporations and foreign national employees on a full range of immigration matters, the firm said.

Meyer has focused his career on areas of business immigration law, including immigrant investor matters, nonimmigrant and immigrant visas, national interest waivers and immigration compliance, Lewis Brisbois said.

Taylor, meanwhile, has more than 16 years' experience in U.S. and global immigration, corporate relocation,

assignment management and cross-border tax compliance, the firm said.

Meyer Law Group had three locations, with one in San Francisco, one in Solana Beach, California, and one in Stamford, Connecticut.

Reed Smith LLP announced the addition of a new corporate tax controversy partner for its state tax group in New York.

Gregory Roberts, formerly a partner at Morrison & Foerster LLP, has experience working on issues such as utility taxes, franchise taxes, corporate income and property taxes, Reed Smith said.

According to the announcement, Roberts regularly advises companies that span state and national borders on the tax implications of both corporate reorganizations and transactions. The firm praised him for his corporate tax knowledge as well as his extensive work in personal income taxes, and sales and use taxes.

Roberts earned his law degree from American University Washington College of Law. In law school, Roberts served on the American University Law Review as senior note and comment editor, Reed Smith said in the announcement.

The firm also retained tax partner Gareth Amdor as part of a massive hiring of multidisciplinary staff in its London office from the cash-strapped law firm King & Wood Mallesons LLP, which filed for administration with a U.K. court earlier this month and has picked an independent agency to handle its financial future. Amdor was head of KWM's tax practice in London.

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