

TAXATION ON REAL ESTATE CONFERENCE

ILLINOIS CPA SOCIETY

Current State & Local Tax Issues Involving Real Estate

June 11, 2024

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OVERVIEW

- ▶ What is Real Estate For State Tax Purposes
- ▶ State Income Tax Issues
- ▶ State Sales Tax Issues
- ▶ State Franchise Tax Issues
- ▶ State Property Tax Issues
- ▶ Real Estate Ownership Restrictions
- ▶ Real Estate Sale and Transfer Issues
- ▶ Questions

WHAT IS REAL ESTATE FOR STATE TAX PURPOSES

- ▶ State Specific Statutory or Regulatory Definition
- ▶ Federal Statute
- ▶ Other

STATE INCOME TAX ISSUES

- ▶ State Income Tax Nexus
- ▶ No 86-272 Protection
- ▶ Unitary Group Exposure
- ▶ Tiered Partnerships
- ▶ Apportionment Factor
- ▶ Alternative Apportionment

STATE SALES TAX ISSUES

- ▶ Historically Created Sales Tax Nexus
- ▶ Post Wayfair Impact
- ▶ Remote Seller Treatment

STATE FRANCHISE TAX ISSUES

- ▶ Doing Business In State
- ▶ State Registration Requirements
- ▶ State Franchise Tax Exposure
- ▶ Corporations v. LLCs

STATE PROPERTY TAX ISSUES

- ▶ Classification
- ▶ Valuations
- ▶ Assessments

REAL ESTATE OWNERSHIP ISSUES

- ▶ Entity Holding Ownership
- ▶ Percentage Ownership
- ▶ Recent Ownership Restrictions (FL 2023, ...)

REAL ESTATE TRANSFER ISSUES

- ▶ Internal Transfers
- ▶ Restructurings
- ▶ Sales to Third Parties
- ▶ State and Local Tax on Transfers

QUESTIONS ???

► CONTACT US:

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