

WHO's WHO in Tax Law

Stephen Breitstone

Meltzer, Lippe, Goldstein & Breitstone

Stephen Breitstone heads the tax law group at Meltzer, Lippe, Goldstein & Breitstone in Mineola. He provides tax and estate planning services for several large New York real estate families, Wall Street investment bankers, hedge fund managers and corporate executives.

After practicing in the large public corporate arena, Breitstone began to represent high net worth individual clients with real estate holdings and closely held businesses. He became increasingly involved in structuring and negotiating real estate workouts and joint ventures.

With the rise of the bull market and rapidly accelerating merger and acquisition activity, Breitstone played a key role as tax advisor in connection with Meltzer Lippe's corporate practice in structuring transactions. He also played a key role in structuring the tax aspects of Meltzer Lippe's technology oriented client activities.

Referring to the \$70 billion tax law recently signed by President George Bush, Breitstone noted: "The most relevant feature of the Tax Increase Prevention and Reconciliation Act of 2005 to our practice is the two year extension of the preferential 15 percent rate on capital gains and dividends," Breitstone said. "The capital gains tax, in particular, is a major deterrent to many business transactions," he said. "Lowering the rates significantly increases the flow of transactions handled by our firm. Also, there is a lot of tax planning that can be done to maximize the transactions subject to capital gains taxes (at a maximum rate of 15 percent) rather than ordinary income taxes (at maximum rate of 39.6 percent) plus state.

Also, with the increased flow of business transactions, there are many transactions that

can be structured to avoid (or defer) taxes such as section 1031 exchanges, tax free corporation reorganizations and various forms deferred compensation planning, he said. "Perhaps

most conspicuous by its absence is estate, gift and generation skipping tax reforms," he said. "The current state of this tax is unacceptable — there is too much uncertainty. We are hoping to get some further reform of these taxes in the months to come."

Breitstone is admitted to the Bar in NYS. He earned a bachelor's degree in accounting from New York University; a master of laws in taxation from New York University School of Law; and a juris doctor

from Benjamin N. Cardozo School of Law.

Breitstone has lectured to the American Bar Association Tax Section on topics including foreign investment in US real estate and income tax and estate planning for leveraged real estate. Most recently, he has worked extensively with the "cash out" Section 1031 exchange transaction and other cutting edge tax solutions for real estate.

Meltzer Lippe's tax clients range from public corporations to closely held businesses and high net worth individuals. The firm's tax practice has developed a national reputation for its expertise in structuring complex real estate transactions. Its tax lawyers also provide tax planning for executive compensation; foreign investments in US properties and businesses; international trusts; US businesses conducted in foreign jurisdictions; domestic and international mergers and acquisitions and joint ventures; estate and gift tax planning; private foundations and public charities; income taxation of trusts and estates; tax audits, appeals and litigation.

