



Philip A. Zukowsky

Partner
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Phil's practice includes planning for companies and individuals and for real estate and business transactions. Typical practice matters include structuring joint ventures, formation of partnerships, limited liability companies and corporations, public offerings, mergers, acquisitions, divestitures, like-kind exchanges, and financings.

Services

- Private Client & Family Wealth Planning
- Corporate & Transactional
- Mergers & Acquisitions
- International Business
- Tax Planning
- Corporate Taxation
- Nonprofit Organizations

Education

- New York University School of Law (LL.M., 1984)
 - Taxation
- Loyola University of Chicago (J.D., *magna cum laude*, 1980)
- Loyola University of Chicago (A.B., *magna cum laude*, 1977)

Bar Admissions

- Ohio

Distinctions

- Peer Review Rated AV in *Martindale-Hubbell*

- *Best Lawyers*® for Tax Law
- Top Lawyers by *Columbus CEO* magazine

Languages

- Hebrew

Experience

Negotiated Sale of Manufacturing Company to Unsolicited Buyer

Our client, a manufacturer of precision shafts and other components, was approached by an unsolicited buyer. The buyer made a purchase offer that enabled our client to sell its business years earlier than originally planned. We helped the manufacturer negotiate a price and structured the deal in a tax efficient manner.

Counseled a Bank Holding Company through a \$33 Million Merger

We represented a client during their purchase of a single location bank located in Charleston, West Virginia. The purchase enabled our client to establish a foothold in the Charleston market. Our services included preparation of the merger agreement; structuring transaction and proxy statements to comply with applicable Nasdaq rules governing transactions in which issuer affiliates have material interest in target; preparation and filing of bank regulatory applications (or obtaining exemptions therefrom); preparation and processing of SEC registration statement for securities offered in transaction and 1934 Act filings of issuer and affiliates.

Represented a Privately-Held Parent Corporation in Forward Triangular Merger

We assisted our client, a pipe diagnostic and utility locating equipment manufacturer, with their strategic plans to form a wholly-owned subsidiary for the purpose of acquiring its sister company, DeepSea Power & Light, Inc. By way of the transaction, DeepSea Power & Light, Inc. merged with and into the newly formed subsidiary and thereafter became DeepSea Power & Light LLC. We worked closely with our client through each and every necessary and advisable step of the closing and post-closing, including structuring the transaction, entity formation, drafting documents, and preparing notices, empowering the companies to achieve shared success.

Permanent Establishment, Transfer Pricing, International Tax, Tax Treaty Analysis and Personal International Income Tax

Our firm represented several large private European companies seeking US subsidiaries/entities with respect to Permanent Establishment, Transfer Pricing, International Tax, Tax Treaty Analysis and Personal International Income Tax issues. We provided speedy and efficient resolution stemming from years of experience related to similar issues and projects.

Represented a Private Equity Firm During Their \$20-Million-Plus Acquisition

We served as lead counsel to a private equity firm in connection with a portfolio acquisition of a designer and fabricator of architectural LED lighting fixtures for a purchase price in excess of \$20,000,000. The transaction financing utilized a capitalization structure that included rollover equity, co-investment and senior and subordinated debt, and also involved significant cross-border issues.

Sale of equity

Our client, a construction and service company in the telecom and energy industries, was looking for an infusion of capital to grow their existing business. The group, who also provides disaster recovery services and assisted in the New York area after Hurricane Sandy, chose a large private equity firm from among bidders.

The deal was structured as a stock sale. As part of the deal, our clients also received equity in the acquiring company, which was structured as a rollover allowing the use of pre-tax dollars for the equity exchanged. The result was a significant tax savings for our clients, who also maintained their management and oversight roles.

Divestiture of telecom construction and service company

We served as counsel to a family-owned telecom construction and service company in a \$30 million divestiture.

Inversion transaction and cross-border asset sale

We advised a U.S. company that is owned by a European resident with multiple operating companies in Europe on an inversion transaction and cross-border asset sale. The company's earnings were subject to U.S. taxes, and our role was to remove the U.S. company from the ownership structure and make the operating companies subsidiaries of a foreign parent company, thereby reducing the U.S. taxes. Previously, we advised the client on the related U.S. tax aspects of a loan transaction and refinancing of the European subsidiaries.

Combination

We assisted our client in negotiating, structuring and closing a tax-free combination of two medical practices and affiliated entities.

Multi-Step Tax Deferred §1031 Exchange of Assets

Structured, for a communications tower company, a multi-step tax deferred §1031 exchange of assets. This transaction involved numerous "out of the box" aspects, including incorporating forward and reverse exchange structures, and the transfer and acquisition of multiple asset classes, both tangible and intangible.

Sale and Leaseback of Assets

Structured the sale and leaseback of a large block of assets for the U.S. Subsidiary of a FTSE100 company. This transaction was effected through various Delaware Series Trusts. The transaction was structured to be treated as a sale and "true" lease for federal income tax purposes, but in a manner to minimize or avoid sales and other transfer taxes.

Stock Sale of Software Provider

When a provider of software for energy businesses, utility companies and municipalities began preliminary discussions with a Columbus Ohio private holding company and management company regarding a sale, they turned to Dinsmore for counsel. We advised the client on a complex, three-part transaction. The complexity was due to the existing operating company being a C-corporation for income tax purposes and the desire of the parties to have the business operating as a partnership for tax purposes on a going forward basis. The current operating company was a C-corporation and all of its shares were owned by its parent company. The first step was for the client to make a cash dividend to its parent and all of its members. The parent company then distributed all of the shares of the client to its members. Next, we negotiated and ultimately closed on the terms of an agreement for the sale of the stock of the client. to the buyer. The final step was to contribute the operating assets of the business to a newly-formed business. The client then elected to be treated as an S-corporation on a going forward basis. As part of the stock sale agreement, the buyer issued promissory notes to two existing minority

owners. These owners were then able to contribute the notes to the client in exchange for an ownership interest. As a result, the minority owners no longer had ownership interest in a C-corporation. Their ownership interest was now in a pass-through entity eliminating the potential for double-taxation on any increase in the value of their ownership interests as a result of future growth of the company. We worked diligently to complete the transaction in 2012 so that the shareholders receiving cash would be taxed at the lower 2012 capital gains rate.

Syndicated Revolving Credit Facility

We assisted a long-time privately held client in negotiating, and on January 31, 2011, closing, a syndicated revolving credit facility of up to \$125,000,000. In connection with obtaining the financing, we also assisted our client in a major and complex restructuring of its ownership and subordinated debt structure that had significant tax implications.

Tax Structuring

Planned tax structuring in connection with the reorganization of a publicly traded manufacturing company in bankruptcy. Planning involved numerous domestic and foreign operations and subsidiaries, and included planning to maximize the use of all tax attributes and maximize basis step-up for the post-bankruptcy reorganization owners of the various business segments.

Publications

July 3, 2018

Here, There and Everywhere

November 3, 2016

Ohio Tax Department Issues Corrigan Guidance: What It Means to Taxpayers

February 20, 2014

Borrower Beware: Loan Transactions can be a Taxable Event for U.S. Corporations that have Foreign Subsidiaries

November 28, 2012

Employers May Be Entitled to FICA Tax Refund On Severance Payments