



CLIFTON B. CATES III

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BIOGRAPHY

Mr. Cates, who is Special Tax Counsel to the firm, is an experienced income tax planner and litigator. As a planner, he specializes in corporate, partnership and real estate taxation advising corporate and individual clients on such business transactions as tax-free reorganizations, spin-offs, taxable acquisitions and dispositions, exchanges, and financing.

In his role as a tax litigator, Mr. Cates has successfully tried more than 20 tax cases in the Tax Court and Court of Federal Claims on issues as diverse as the research credit, intercompany pricing, tax-exempt bonds, stock redemptions, accounting methods, the estate tax marital deduction, and pension plan prohibited transactions. In addition, he regularly represents clients during examinations by the IRS and before IRS Appeals.

Professional Experience

Trial Attorney, IRS Office of Chief Counsel (1992-1997).

General Counsel, Astral Properties International (1985-1991).

State Bar of California (member and former Chairman and member of the Executive Committee, California State Bar Taxation Section (1980-1984).

REPRESENTATIVE MATTERS

- Representation of a major pharmaceutical corporation seeking a multi-million dollar refund attributable to the research credit
- Representation of a major multi-national corporation seeking a refund attributable to a dividend-equivalent partial redemption of stock
- Representation of a large, publicly held utility in a dispute involving the propriety of the accounting method used for computing contributions to an employee trust
- Representation of a large British-owned multinational group in an inter-company pricing dispute involving the value of a manufacturing subsidiary
- Representation of a large defense contractor defending a multi-million dollar deduction for research and development expenses
- Representation of the U.S. subsidiary of a British parent defending the failure to withhold tax on dividend distributions
- Representation of a defense contractor claiming a multi-million dollar credit for increased research expenditures
- Representation of individuals who invested in various listed tax shelters (PICO and Son of BOSS)
- Representation of the IRS in the first suit ever brought to disqualify tax-exempt bonds
- Representation of the IRS in a case involving the proper pricing of semiconductors sold to a U.S. multi-national corporation by various foreign subsidiaries
- Representation of the IRS in an estate tax case involving the scope of the marital deduction for property held in trust
- Representation of the IRS in a case involving prohibited transactions between a corporation and its qualified retirement plan

BACKGROUND



EDUCATION

Yale University (B.A. magna cum laude, 1968); Phi Beta Kappa, 1967
Harvard Law School (J.D. cum laude, 1975)