



Lucien A. Beaudry

Shareholder

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Lucien A. Beaudry is a shareholder in Reinhart's Tax and Corporate Law practices, chair of the Federal Tax Planning and Executive Compensation teams, and a member of the Tax-Exempt Organizations Team. Lucien works with a wide range of clients and industries including public companies, private equity and venture capital firms, family businesses and tax-exempt organizations.

As a licensed and certified public accountant, Lucien brings a unique financial understanding and business sensibility when advising clients. He understands the importance of "boiling down" complex rules so that his clients may make well-informed, practical business decisions.

Lucien serves as a trusted adviser and confidant to his clients. He takes ownership of his client's issues and works to design practical solutions and capitalize on available opportunities. Lucien has also successfully developed and implemented creative approaches to resolve difficult, challenging and contentious matters.

In addition to his legal practice, Lucien is a frequent speaker on a variety of tax and business law topics. He also taught the "Partnerships, LLCs and S Corporations" class in the Master of Taxation Program at the University of Wisconsin-Milwaukee. Lucien is a graduate of Leadership Milwaukee and an active volunteer in the community.

Education

- J.D., cum laude, University of Wisconsin Law School
- B.S., magna cum laude, University of Wisconsin-Milwaukee

Bar Admissions

Wisconsin

Court Admissions

- Milwaukee Bar Association

Practices

- Corporate Law
- Tax

Services

- Emerging Businesses and Early-Stage Investing
- Federal Tax Planning
- Federal Tax Controversy and Litigation
- Mergers and Acquisitions
- Succession Planning
- Tax-Exempt Organizations
- Executive Compensation

Matters

- Successfully obtained several IRS private letter rulings, saving the clients significant federal and state income taxes. Examples include:
 - PLR 200326007: The IRS granted an extension of time to make a Qsub election, which resulted in significant savings of the "passive investment income tax" and allowed the client to maintain its S corporation status.
 - PLR 200527002: The IRS granted "inadvertent termination" relief to an S corporation that had transferred stock to an ineligible shareholder.
 - PLRs 200637008/220649001: The IRS granted an extension of time to make a Code section 754 election, which resulted in significant tax savings to members of a family limited partnership.
 - PLR 201016010: The IRS granted an extension of time to make an S corporation election, which permitted the taxpayer to save significant income tax under Code section 118 on TIF proceeds.
 - PLR 201442066: The IRS approved a conservation arrangement between a Code section 501(c)(3) charity and a private social club to preserve the club's historically significant facility.
 - PLR202352009: The IRS provides favorable ruling that a company engaged in interim staffing and executive search services was a qualified business for Code section 1202 purposes.
- Structured mergers and acquisitions to maximize after-tax proceeds to clients (when selling) or minimize tax costs after the transaction (when buying)
- Advised clients on the tax aspects of transferring real estate, including the following types of tax-free (Code section 1031) rollovers:

- Reverse exchanges
- Build to suit exchanges
- "Drop and Swap" and "Swap and Drop" transactions involving partnerships
- Structured and implemented executive compensation arrangements to comply with complicated tax rules (e.g., Code sections 409A, 162(m) and 280G) while meeting clients' compensation goals. Examples include:
 - Phantom Stock, Stock Appreciation Rights and Restricted Stock Units
 - Incentive Stock Options and Employee Stock Purchase Plans
 - Nonqualified Stock Options and Restricted Stock
 - LLC Equity Incentive Plans and Profits Interests
 - Long-term Bonus Plans
 - Change of Control Agreements
 - SERPs and Elective Deferrals
 - Tax-Exempt Organization Plans (Code section 457(f) Plans)
- Structured and formed several types of exempt entities and obtained IRS recognition of exempt status for both new and long-existing organizations. Unique examples include:
 - Obtained Code section 501(c)(3) status for a steam and chilled water facility that would serve several hospital systems.
 - Formed and obtained exemption for several "real estate" foundations that support public universities and allow for a more efficient process in developing university-centered real estate projects.
 - Converted a union training center to a Code section 501(c)(3) school, resulting in significant tax savings.
 - Obtained Code section 501(c)(3) status for a HMO that provides services only to Medicaid eligible populations.
 - Converted an online teaching platform company for public school children to a "supporting organization" to allow the organization to maintain public charity status.
- Assisted shareholders and LLC members in acquiring businesses, structuring ownership interests, planning for succession, restructuring and resolving disputes



- Structured and implement unique gifts to charity, including private company interests, real estate and conservation easements
- Represented corporate, partnership and individual taxpayers before the IRS and various federal courts

Honors & Affiliations

Honors

- Selected for inclusion in Best Lawyers in America - Tax Law; Business Organizations (including LLCs and Partnerships)
- Selected for inclusion in Wisconsin Super Lawyers - Rising Star Edition (2007 to 2012)
- Selected for inclusion in Wisconsin Super Lawyers (2023)

Affiliations

- Milwaukee Bar Association
- State Bar of Wisconsin
- Wisconsin Institute of Certified Public Accountants (Board of Directors and Federal Tax Committee)

Presentations

LLCs and Partnerships:

- Key Tax Provisions of Partnership and LLC Operating Agreements
- Critical Partnership Tax Issues in Today's "Forced Allocation" World
- Overview of Allocations and Tax Capital Accounts
- Partnership Special Allocations and Guaranteed Payments
- Advanced Capital Account Issues – "Book-ups" and Section 704(c)
- Key Principles of Partnership Allocations: Substantial Economic Effect, 704(c) and Nonrecourse Deductions
- Partnerships: Inside and Outside Basis
- Partnership Basis – Debt Allocations
- Partnership Basis – Death and Transfer: Code Sections 754 & 743(b)

- Partnership Basis – Distributions and Allocating Basis Adjustments: Code Sections 754, 734(b) and 755
- Partner W-2 Reporting and Self-Employment Tax Planning
- Rul. 99-5 and 99-6 – Tax Traps, Opportunities and Open Issues
- 754/743 and 740(c) Step Up Dilemma: Integrating the tax benefits of amortization deductions with the tax distribution provision
- Resolving Uncertainty in Partnership-to-Partnership Rollover

S Corporations:

- S Corporations: Operations
- S Corporations: Formation and Termination
- Gifts of S Corp Stock to Charity

Executive Compensation:

- Severance Arrangements – Key Tax Issues
- Key Nonqualified Deferred Compensation Issues – Section 409A and Beyond
- FICA and State Income Taxation of Nonqualified Deferred Compensation Plans
- Equity-Based Compensation Alternatives

Other:

- Selected Tax Traps in Transaction Planning
- Employee/Independent Contractor Update
- Checking-The-Box for Entity Classification on Form 8832
- Legal Duties of Nonprofit Directors and Officers, Director Liability and Strategies to Protect Board Members
- Key Issues in Purchase Price Allocations in M&A Transactions
- LESSONS FROM THE TRENCHES: Key Issues and Strategies in Buying or Selling a Business
- Creative Legal Structures for Historic Preservation Nonprofits

- 8% Net Investment Income Tax Final IRS Regs: Maximizing Planning Opportunities
- New IRS Guidelines for Good Governance for 501(c)(3) Organizations and Corresponding Changes to IRS Form 990

Publications

- Co-author, "[Taming the Three-Headed Monster: FICA, SECA and NIIT Applied to Real Estate Activities](#)," *Bloomberg BNA Tax Management Real Estate Journal* (April 2015)
- Co-author, "[3 Ways to Maximize Value in the Sale of Your Business](#)," Milwaukee Business Journal's Business Law & Accounting Supplement (November 2014)
- Co-author, "[Tax-Exempt Organizations: Ensuring Governing Board Independence](#)," *Business Law & Governance* (November 2010)
- Co-author, "New Seventh Circuit Case Seems to Reject Adverse Tax Consequences of Reimbursement Agreements in Reasonable Compensation Cases," *Taxes-The Tax Magazine* (April 2010)