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**Segment Title:**  
**"SALT – State and Local Tax"**

	*NOTE: CHERRY BEKAERT TESTIMONIAL FOOTAGE PULLED FROM VIDEO INTERVIEWS IS HIGHLIGHTED IN GREEN. ALL OTHER AUDIO CONTENT IS READ BY NARRATOR.

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<p>ANIMATED CHARACTER          STANDING IN FRONT OF          SMARTBOARD WITH CB LOGO          AND "State and Local Tax          (SALT): Controlling SALT to          Keep Clients Healthy" ON          BOARD</p>	<p>NARRATOR: Welcome to Cherry Bekaert's          training module for state and local tax, or as we          refer to it at the firm - SALT. In real life, if we want          to stay healthy we control our salt intake.</p>
<p>DIZ – SALT SHAKER ON TABLE</p> <p>CG: "<u>Learning Objectives</u>:          - Be able to identify four types          of SALT services          - Develop a general          understanding of various          services that fall under these          categories          - Be able to guide clients          through the process of          identifying SALT services that          bring value to them          - Be able to follow through          with long-term client          interactions in order to help          clients find SALT services that          are best for them</p>	<p>Business organizations find that when they          control their SALT, they're much healthier too.</p> <p>Over the next few minutes, you will learn about          the different types of state and local tax services          that we offer for clients. Our goals for this module          are for you to be able to identify the four types of          SALT services that we offer – develop an          understanding of the subcategories of these four          types of services – be able to guide clients          through the process of identifying state and local          tax services that can bring value to their          organization – and be able to follow through with          long-term client interactions in order to help          clients find the services that best fit their needs.</p>
<p>CATHIE STANTON IMAGE +          TITLE APPEARS ON          SMARTBOARD</p>	<p>At Cherry Bekaert, there are a lot of different          ways that state and local tax services can bring          value to our clients.</p> <p>Cathie Stanton, our national leader of State and</p>

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<p>LS CATHIE STANTON          LOW 3<sup>RD</sup>: "Cathie Stanton, CPA          – National Leader, State and          Local Tax Services"  <i>(*First one minutes of Stanton          video)</i></p>	<p>STANTON: "State and local tax, otherwise known          as SALT, cover... [DISCUSSES INDUSTRIES IT          IMPACTS]... top two would be manufacturing and          technology."</p>
<p>CG "State and Local Tax (SALT)          Primary categories:          1) Income/Franchise          2) Credits &amp; Incentives          3) Sales &amp; Use Tax"          4) Property Tax</p>	<p>NARRATOR: Cherry Bekaert's State and Local Tax          services fall under four primary categories -          Income/Franchise – credits and incentives – Sales          and Use Tax and Property Tax. Let's start by          looking at Income-franchise.</p>
<p>BUTTONS DISSOLVE IN:  <u>"Income and Franchise          Services: Revenue Sourcing          Analysis, Nexus Reviews"</u></p>	<p>NARRATOR: Cherry Bekaert performs the          following types of income and franchise services.          Click through each of these for a brief description.          When you're finished, click the next button to          continue. [NARRATION STOPS]</p>

<p>DEFINITIONS APPEAR WHEN USER CLICKS EACH BUTTON</p> <p><b>Income/Franchise Tax Consulting:</b> Our SALT professionals engage in strategic planning for organizations operating in a multi-state environment. Services include entity structure design, cash recovery, audit defense and due diligence engagements. We also prepare multi-state companies for potential sale.</p> <p><b>Revenue Sourcing Analysis:</b> Our SALT professionals perform detailed analyses to determine applicable revenue sourcing rules for multistate businesses. We then accurately determine the numerator of each state’s sales factor and ensure that clients are not under or over reporting revenue for state tax compliance purposes.</p> <p><b>Nexus Reviews:</b> We work with multistate companies to determine where they have nexus and corresponding filing obligations. We quantify and analyze exposure to provide guidance to clients in choosing the appropriate remediation steps. If warranted, we successfully negotiate and secure voluntary disclosure agreements on our clients’ behalf, reducing and eliminating any outstanding liability.</p>	
<p>BUTTONS DISSOLVE IN:  <u>"Credits and Incentives Services:</u> Employment Tax, State Credit Reviews, State Incentive Negotiations"          [change order]</p>	<p>There are numerous state-specific credits and incentives services that can bring value to clients.</p> <p>Click on each of these services to read a brief description of it. When you’re finished, click the next button to continue. [NARRATION STOPS]</p>

DEFINITIONS APPEAR WHEN USER CLICKS EACH BUTTON

**Employment Tax:** Payroll is the single largest expense that businesses incur. Recovering overpaid taxes, complying with tax law requirements, and detecting potential issues before the IRS does can greatly affect a company's bottom line. Cherry Bekaert's Employment Tax specialists work with clients' HR and payroll professionals to reduce risk and address critical issues as they occur.

**State Credit Reviews:** Cherry Bekaert can help identify relevant state credits and incentives available to clients. Tax credits are statutory, low-risk opportunities that can be overlooked and include both above-the-line benefits and income tax benefits that may lower a company's overall effective tax rate. Eligible programs may include tax credits for job growth, capital investment, training, importing/exporting, energy, and location-based credits.

**State Incentive Negotiations- or Compliance:** State and local governments offer a variety of tax and nontax incentive programs to help businesses improve cash flow, offset business costs, and reduce tax liabilities as a result of business growth and expansion needs. Cherry Bekaert can help find the incentives that best fit your company's future business and operational strategies. Or in other cases when incentive has been given by a local government or economic development authority

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<p>BUTTONS DISSOLVE IN: "<u>Sales and Use Tax</u>: General Sales Tax Consulting, Indirect Tax Cost Evaluation, Reverse Audit, Sales Tax Outsourcing" [change order]</p>	<p>NARRATOR: There are four primary categories of Sales and Use tax services that Cherry Bekaert offers its clients. Click on each of these for a brief description. When you're finished, click the next button to continue. [NARRATION STOPS]</p>
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DEFINITIONS APPEAR WHEN USER CLICKS EACH BUTTON

**Sales Tax Consulting:** The USA has over 10,000 unique taxing jurisdictions, each with its own rules, regulations and interpretations of tax law. Growth has driven the number of potential taxable transactions to an all-time high. Cherry Bekaert has the right mix of experience, process, technology, and relationships to guide clients forward through this complex web of laws.

**Indirect Tax Cost Evaluation:** Sales and use tax compliance processes often cost organizations time and money. Cherry Bekaert can assist with evaluating the overall cost of compliance activities and assist in optimizing sales and use tax processes, resulting in reduced compliance and tax costs and delivering additional accuracy to tax filings.

**Reverse Audit:** Cherry Bekaert can analyze past company purchases to determine and recover improperly paid taxes. This process has a number of benefits, including recovery of lost tax dollars and prevention of future overpayments.

**Sales Tax Outsourcing:** Our SALT professionals assist companies with sales tax compliance functions, which helps save time and reduce costs. Our experts often identify additional tax saving opportunities while preparing and filing sales and use tax returns for companies. We constantly provide opportunities to our clients to reduce their tax costs.

*[User clicks NEXT button to continue]*

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<p>BUTTONS DISSOLVE IN:  <u>"Personal Property and Tax Outsourcing: Personal Property, Property Tax Outsourcing"</u></p>	<p>NARRATOR: SALT services also deal with personal property and property tax outsourcing. Click on each of these for a brief description. When you're finished, click the next button to continue. [NARRATION STOPS]</p>
<p>DEFINITIONS APPEAR WHEN USER CLICKS EACH BUTTON</p> <p><b>Personal Property:</b> Cherry Bekaert has the experience and resources to help companies take a closer look at the assessment of their assets, wherever they are. Our expertise on how these assets should be treated allows us to provide comprehensive guidance on reducing personal property taxes.</p> <p><b>Property Tax Outsourcing:</b> Many companies are now finding it is advantageous to outsource corporate compliance activities, such as the preparation and filing of their property taxes returns. Outsourcing has benefits far beyond the obvious efficiencies of resource management. It can minimize clients' compliance risks and help realize bottom-line tax savings.</p> <p><i>[User clicks NEXT button to continue]</i></p>	
<p>ANIMATED CHARACTER AT SMARTBOARD WITH CATHIE STANTON'S IMAGE/TITLE ON BOARD</p>	<p>NARRATOR: So now that you know some basics about our SALT services, the next step is to identify how they bring value to our clients. Cathie Stanton tells us a little more about this.</p>



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<p>LS CATHIE STANTON          LOW 3<sup>RD</sup>: "Cathie Stanton, CPA          – National Leader, State and          Local Tax Services"          (*1:59 – 2:51 )</p>	<p>STANTON: "<b>Essential benefits to our clients...</b>  <i>[What's in it for my Clients?</i> SECTION OF          STANTON VIDEO - DESCRIBES SEVERAL          BENEFITS FOR CB CLIENTS] <b>...we help to mitigate</b></p>
<p>CG: "Bringing Value to Clients          with SALT"          - Listening and asking          probing questions          - LaMontagne example:          - Software as a service (SAS)          - Every state taxes          differently          - How her team asked          questions that led to          service"          LAMONTAGNE TITLE AND          IMAGE APPEAR IN CORNER          OF SCREEN WHEN          MENTIONED.</p>	<p>NARRATOR: Part of the process of identifying          clients who can benefit from SALT services is          listening and asking probing questions that help          you better understand what their core needs are.          Stacy LaMontagne, a partner at our Washington          D.C. location discusses a client that is a Software          as a Service - or SAAS provider – whose goal was          to build the company and sell it off. Every state          taxes SAAS businesses differently, so Stacy's team          knew that ensuring proper compliance with the          multitude of laws surrounding state taxes would          be challenging for their client – especially with          their intent to sell at a future date. Here's how her          team opened discussions with the client about          SALT services.</p>

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<p>LS STACY LAMONTAGNE          LOW 3<sup>RD</sup>: "Stacy LaMontagne,          CPA – A&amp;A Partner,          Washington Practice"          (*3:17 – 4:18 )</p>	<p>LAMONTAGNE: "What led to us asking questions about state and local tax... [DESCRIBES HOW HER TEAM HELPED A CLIENT WORKING WITH A NEW INVESTOR] ...those are common issues that come up in due diligence or a potential sale of the company."</p>
<p>ROB MARTIN IMAGE AND          TITLE ON SMARTBOARD          "Robert E. Martin III, CPA –          Partner, Assurance Services"</p>	<p>Of course, how and when you ask questions is just as important as the questions you ask. Rob Martin, a partner with Assurance Services, talks about questions his team used to help a client identify SALT services to help accomplish their three-year business plan.</p>
<p>LS ROB MARTIN          LOW 3<sup>RD</sup>: "Robert E. Martin III,          CPA – Partner, Assurance          Services"          [4:17 – 5:04]</p>	<p>MARTIN: "Prompting questions that really helped gain information from them were... [DISCUSSES QUESTIONS USED]...built it out from there."</p>

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<p>QUESTIONS APPEAR OVER GRAPHIC OF BUSINESS MEETING</p> <p>"Do you have significant amounts of revenue coming from customers residing in states where income tax returns are not being filed?</p> <p>Are you paying a significant amount of state income/ franchise tax in multiple jurisdictions?</p> <p>Do you derive a significant amount of revenue from the performance of services or sales of intangible property/ technology?</p> <p>Do you have plans for an expansion (or made an expansion) of at least \$2 million capital spend and/or 10 new hires?</p> <p>Do you have manufacturing facilities based in the U.S. generating at least \$50 million in revenue?</p> <p>If making sales for which sales tax potentially applies, do you have adequate sales/use tax systems and policies in place, updated for new reporting requirements enacted by the states?</p> <p>Do you have a significant volume of sales/use tax filings or personal property tax filings that you would prefer to outsource?</p>	<p>NARRATOR: As you've heard from company leaders, part of the process of identifying clients who can benefit from SALT services is listening and asking probing questions that help you better understand what their core needs are. Take a moment to look over this list of suggested questions which can help you better understand client needs. When you've finished reviewing them, click the <u>next</u> button to continue.</p>
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<p>CG: "Frequently reaching out to current and potential clients is important!"</p>	<p>NARRATOR: The most effective way to engage clients in discussions that could lead to expanded services like SALT is to keep in constant contact with your clients. Stacy LaMontagne discusses the importance of this practice.</p>
<p>LS STACY LAMONTAGNE          LOW 3<sup>RD</sup>: "Stacy LaMontagne, CPA – Partner, State and Local Tax Services"          (*7:18 – 8:31)</p>	<p>LAMONTAGNE: "It all boils down to [DISCUSSES IMPORTANCE OF FREQUENT CONTACT] ...is the way you're going to be able to cross-sell other services that we offer."</p>
<p>CB LOGO AND CG: "Let's review!"</p>	<p>NARRATOR: Now let's take a moment to review some key takeaways from the information that has been presented in this training module.</p>

QUIZ: "Let's review!"

(highlighted answers are correct)

**Q1)** What are the four main types of SALT services that we offer for clients?

- a) Credits & Incentives; Industrial Assessment; Property Tax; Sales & Use Tax
- b) Credits & Incentives; Income/Franchise; State Franchise Tax; Sales & Use Tax
- c) Credits & Incentives; Income/Franchise; Property Tax; Sales & Use Tax

Correct answer feedback: Correct!

Incorrect answer feedback: If you visit our page at <http://www.cbh.com/services/tax-services/specialty-tax-services/state-local-tax/#>, you will see that the four types of SALT services are 1) Credits & Incentives; 2) Income/Franchise; 3) Property Tax; 4) Sales & Use Tax.

**Q2)** True or False: You learn that your client, a mid-sized medical technology company, is planning to hire fifteen new employees for a new division. Could SALT services benefit them?

- a) True
- b) False

Correct answer feedback: Correct!

Incorrect answer feedback: Company expansions of 10 or more employees could find significant benefits from SALT services.

**Q3)** What industries have the most opportunity for SALT services?"

- a) Manufacturing and technology

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ANIMATED CHARACTER AT SMARTBOARD. CHERRY BEKAERT LOGO WITH TEXT "Your Guide Forward"	NARRATOR: "Your guide forward..." that's the promise we make to our clients. As you've seen over the past few minutes, Cherry Bekaert's State and Local Tax Services allow us to bring value to our clients in unique ways.
CONTENT ON SCREEN ILLUSTRATES SEGMENTS OF TRAINING THAT NARRATOR IS DESCRIBING	During this module you have reviewed the four types of SALT services that we offer along with various subcategories each one. You've also heard from company leaders about how they approach asking probing questions that help identify services that bring value to clients. You've also been given suggestions for following through with long-term client interactions in order to help clients find the services that best fit their needs.
INTRANET PAGE	For more information visit the State and Local Tax Team page on our intranet. And if you sense an opportunity with a current or potential client but aren't sure how to proceed, don't hesitate to contact a manager, partner, or Cherry Bekaert specialist. Thank you for everything you do to guide our clients forward.
THANK YOU GRAPHIC	