

Tax Litigation

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The firm's stand-alone Tax Litigation Practice Team carries the largest and most significant caseload in Puerto Rico and represents clients at every level and in every type of dispute resolution. We boast a superlative success record in handling litigation matters from tax audits and examinations through administrative appeals and court proceedings.

Our Tax Litigation attorneys combine top-notch litigation skills with substantive, up-to-date experience in all tax areas –from income tax to sales and use tax, from real and personal property tax to municipal construction excise tax -- to achieve outstanding outcomes for clients facing the thorniest tax issues.

We begin the tax dispute process by providing strategic counsel to clients to help them protect their legal positions. This approach leads to the successful resolution of cases at the administrative level. When it is in a client's best interest, we are ready to litigate, developing and implementing efficient, effective, and targeted trial strategies.

We advocate zealously on behalf of our clients before the United States Internal Revenue Service and Department of Labor, the Puerto Rico Treasury Department, The Center for the Collection of Municipal Revenue (CRIM) and various municipal taxing authorities.

What We Do

The McConnell Valdés Tax Litigation team:

- Represents clients in adversarial proceedings before the Puerto Rico Court of Appeals, Puerto Rico Supreme Court, Puerto Rico Court of First Instance, and the United States Tax Court
- Defends clients in tax deficiency proceedings brought by the Puerto Rico Treasury Department, municipalities, and the Municipal Revenue Collection Center (CRIM)

REPRESENTATIVE CLIENTS & MATTERS

- Successfully represented an international retailer in constitutional challenging of the Alternative Minimum Tax (AMT) as it relates to price transfer. This case, which may have national impact of other retailers in Puerto Rico, received international media coverage.

- Represented global pharmaceutical manufacturer in a dispute with the Government of Puerto Rico involving an application for tax credits originally denied by the Government, which resulted in a settlement releasing over \$15 million in tax credits applicable to energy consumption.
- Successful representation of a global pharmaceutical manufacturer from a notice of municipal tax deficiency issued by the municipality, which resulted in the Puerto Rico Court of Appeals' reversing a \$15 million judgment by the trial court.
- Represented client in a multi-million dollar municipal license tax alleged deficiency case before Puerto Rico courts. Following several years of litigation, successfully obtained reversal of Court of First Instance Judgment that required client to pay multi-million dollar amount, and successfully litigated lack of indispensable party issue that required Municipality to bring as third parties the Government of Puerto Rico to defend its industrial tax grant with the client.
- Represented client in a multi-million dollar municipal license tax alleged deficiency case before Puerto Rico courts. Obtained judgment in favor of client dismissing alleged deficiencies for several years on time barred defense which resulted in savings to client of several million dollars. Also, successfully defended against Municipality's summary judgment.