

CAN YOU TAKE ADVANTAGE OF OHIO'S NEW HOMESTEAD EXEMPTION? WHITNEY MAXSON



**Y**ou can, if you are an Ohio resident homeowner who is (a) over 65, or (b) permanently and totally disabled or (c) the surviving spouse of a person who was receiving the previous Homestead Exemption, as long as you were at least 59 years old at the time of your spouse's death.

January 1, 2007, you may consider re-titling it so as to be in a position to avail yourself of the Homestead Exemption for 2008.

The Homestead Exemption will start with the 2007 tax year, and qualifying and approved applicants will see the Exemption on the tax bills payable in 2008. The exact amount of savings will vary from location to location, but overall qualified homeowners should save an average of \$400 to \$500 per year.

The Homestead Exemption is a reduction in real property taxes that the state of Ohio offers to qualifying homeowners. The applicant must meet one of the criteria listed above, and own and occupy a home situated in Ohio as the applicant's principal place of residence as of January 1 in the application year. All qualifying households will receive a flat \$25,000 property tax exemption on the market value of their homes.

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**The filing deadline is October 1, 2007, to receive this benefit for the 2007 tax year.** If your application is not filed on time or if your home is not titled properly, the Exemption and the savings are lost for the 2007 tax year.

For those whose homes are held in trust, eligibility for the Homestead Exemption depends on whether the title is held by a revocable trust created and funded by the applicant for the Exemption. If your house isn't titled appropriately as of

For an application and additional information, please call us, contact your county auditor's office or visit

the following Web site: [http://tax.ohio.gov/divisions/communications/Expanded\\_Homestead\\_Exemption\\_FAQs.stm](http://tax.ohio.gov/divisions/communications/Expanded_Homestead_Exemption_FAQs.stm)

DOES NEW DEFERRED COMPENSATION LEGISLATION IMPACT YOU? STEVE KISLING



**P**ursuant to federal legislation, significant and sweeping changes have been made to the rules concerning the design and taxation of deferred compensation arrangements. "Deferred Compensation" is generally defined to include any arrangement under which the employee

(or independent contractor) has a right to compensation during a year which is or may be payable in a later year. Therefore, many arrangements which traditionally have not been considered deferred compensation may now be subject to these new rules, including the following:

- Severance pay plans
- Post-termination of employment payments such as payment or reimbursement of medical expenses
- Employment agreements which provide for deferred payments at termination of employment (such as the payment of accounts receivable for professionals)
- Discounted stock options/stock appreciation rights
- Split dollar life insurance

If the arrangement fails to comply with these new rules, the individual could have severely negative tax results including

(1) accelerated income taxation on the deferred compensation and in addition to the regular income tax imposed, (2) a penalty equal to 20% of the amount required to be included in income and (3) interest payable to the IRS for the period beginning on the date the income was first deferred and ending on the date the tax is paid. These amounts can total more than 100% of the deferred compensation.

These new rules were generally effective beginning January 1, 2005 (subject to certain grandfather provisions). The deadline for amending deferred compensation arrangements to bring them into compliance with these new rules is December 31, 2007. As a result, we recommend that you now take the following action:

1. Identify all arrangements which could be subject to these new rules.
2. Do not terminate or make any modifications to these arrangements (such as the acceleration of the payment of benefits) without first determining whether such actions comply with the new rules.
3. Contact us if you would like us to review your deferred compensation arrangements to determine compliance with the new rules.

## OHIO'S NEW RESIDENCY REQUIREMENTS MAY ALLOW TAX SAVINGS

WHITNEY MAXSON



In April of this year, the Ohio legislature amended the statute on requirements for Ohio residency for Ohio income tax purposes.

The law now provides that an individual with fewer than 182 (formerly 120) days in Ohio (there is a technical provision on how to count days or "contact periods") during a taxable year is irrebuttably presumed NOT to be an Ohio resident for that year's Ohio income tax so long as the individual complies with certain filing requirements.

**In order to take advantage of this irrebuttable presumption, you must file a Domicile Affidavit by April 15 of the year following the close of the tax year in question.**

By executing this Affidavit, you verify for the taxable year in question that you were not a resident of Ohio and that you had at least one residence outside of Ohio for the entire year. If this Affidavit is not timely filed, the irrebuttable presumption is lost and you will have the burden (if audited) to prove by a preponderance of the evidence that you were not a resident of Ohio.

Therefore, if you believe that you qualify for nonresident status in Ohio for tax purposes, you should file (or remind your accountant to file) the Domicile Affidavit by April 15. If you do not meet the 182 day test outlined above, you may still claim that you are not an Ohio resident. However, the burden (upon an Ohio income tax audit) of proving your nonresidency is much greater.

If you have any questions regarding Ohio residency or the residency requirements of any other state, please contact us.

## MEET SHERI AUTTONBERRY: KATZ TELLER'S NEWEST SHAREHOLDER



The shareholders of Katz Teller Brant & Hild proudly welcomed Sheri Auttonberry to their ranks in 2007. Sheri has been with the firm since 2001, and in that time she has focused on all forms of commercial litigation, including breach of contract, construction, real estate and employment claims. Many of you know her from working

with her on one of these litigation matters, but for those of you who do not, allow us to introduce her.

Sheri grew up in Vicksburg, Mississippi, where she acquired a love of SEC football, the New Orleans Saints and mild winters. Growing up and throughout her high school and college years, she spent much of her spare time playing soccer, acting in local and school theatre and practicing her skills as a trumpeter.

Those talents, along with her academic credentials, earned Sheri a full scholarship to Louisiana Tech University, where she majored in psychology with a minor in French. After graduating *summa cum laude* from Louisiana Tech, Sheri had a number of options for law school. She eventually narrowed her focus down to two law schools: Vanderbilt University in Nashville and NYU.

The warmer weather and collegial atmosphere of Vanderbilt won out in the end (the SEC connection was merely a convenient coincidence). Sheri left Vanderbilt not only with her law degree, but with a fiancée. Her husband, Jason Conte, was a classmate of Sheri's in law school and the coach of her intramural softball

team. Even though he was a Notre Dame fan and alumnus, they hit it off, and when it came time to choose a city after graduation, they decided to come back to his hometown of Cincinnati.

Since coming to Cincinnati, Sheri has been very active in the community. She runs the firm's Fine Arts Fund campaign, and under her leadership Katz Teller has been routinely recognized as one of the leaders in charitable giving among Cincinnati law firms. She has donated her time and talents to Volunteer Lawyers for the Poor, a program in which local attorneys provide pro bono legal services to indigent clients. She has also assisted with a local high school's mock trial team, preparing them for county and state competitions.

She was recently inducted into Class X of the Cincinnati Academy of Leadership for Lawyers, through which she helps coordinate a truancy mediation program at local elementary schools in conjunction with Cincinnati Public Schools. She has also been the brains and creative genius behind a number of successful firm events as part of the firm's event planning committee.

If Sheri isn't at work or volunteering, she can often be found attending local sporting events, reading or working in her garden at home. Whatever she is doing, you can trust that she's doing it with a great deal of passion and enthusiasm.

Katz Teller is excited to have Sheri in the fold as its newest shareholder and looks forward to her continued success in the future.

## KTBH SERVES THE COMMUNITY

Katz Teller was once again included in the Tremendous 25 list of donors to United Way, and was ranked as the highest per capita donor in Cincinnati. We were also recognized at the campaign kickoff as one of the Top 25 Pacesetter Companies.

In addition to its support of the United Way, Katz Teller is a corporate sponsor of Most Valuable Kids, an organization formed by Tedd Friedman, a Katz Teller shareholder, and his wife, Sherri Friedman. With Katz Teller's support, the organization has given thousands of tickets for sporting events and cultural offerings to underprivileged children in the Cincinnati area.

Katz Teller's staff-led charity initiatives have also met with great success. Kare To Be Helpful coordinated and led the firm's involvement in the United Way's Community Care Week by soliciting donations of school supplies for kindergartners. This year, KARE has raised thousands of dollars for the American Cancer Society, Juvenile Diabetes Research, the March of Dimes, the Summer Work Experience in the Law (SWEL) Program sponsored by the Black Lawyers Association of Cincinnati, and Crayons to Computers.

## THE KITCHEN WALL MATT RICH



**M**uch like your parents hanging your A+ spelling test or paint-by-numbers masterpiece on the refrigerator, Katz Teller shows its pride by displaying our clients' accomplishments on the Kitchen Wall. Anything in the media that reflects positively on our clients – a glowing review for one of our restaurant

clients, a big acquisition by one of our corporate clients or any award or accolade – usually finds its way onto the Kitchen Wall. On any given day, you can see a Katz Teller attorney pausing in front of the wall to read the latest news about one of our clients.

## INSIDE KTBH

**A**ndy Berger recently completed his two-year term as President of Isaac M. Wise Temple, the largest synagogue in Cincinnati. Andy has also been elected to the Board of Trustees of the Jewish Federation of Cincinnati.

**Tedd Friedman** capped a busy year by helping a client buy a large resort in southwest Florida in a \$125 million deal. In addition to his work duties, Tedd serves as Chairman of the Board of Most Valuable Kids (MVK), an organization that provides tickets for sporting events and local cultural offerings to underprivileged children. Tedd and his wife, Sherri, founded the organization in 2005, and it has grown tremendously. In its first year alone, the organization sent over 6,000 kids to sporting and cultural events they otherwise may not have been able to attend.

**Cynthia Gibson** was awarded certification as a Senior Professional in Human Resources (SPHR) by the Human Resource Certification Institute. The certification signifies that she possesses sufficient knowledge and practical experience in human resource management to pass a rigorous examination on the subject. Cynthia was also named Co-chair of the Women's Leadership Council of the United Way and named to the Board of Directors of the Cincinnati Area Chapter of the American Red Cross, serving on its Executive Committee as General Counsel.

**Laura Hinegardner** was appointed to the Board of the Fort Thomas Education Foundation.

**Mark Jahnke and Bob Pitcairn** were again named by Chambers USA as Leading Lawyers for Business. Each year, Chambers USA publishes *Chambers USA: America's Leading Lawyers for Business*, inclusion in which is based on in-depth interviews with key in-house counsel and leading private practice attorneys. This year, the firm was recognized in the areas of Corporate/M&A and Litigation, as were Mark and Bob, respectively. Our competitors recognized that "Katz Teller does an outstanding job for its size," and has a "particularly strong reputation in the Cincinnati area," while our clients noted that they would "recommend the firm wholeheartedly."

Mark was lauded as "an astute business lawyer and negotiator who's very reasonable to deal with" and a lawyer who represents his firm assertively while "fighting for the things that are important with great practical judgment and a sense of humor." Bob was described by peers as a "tough litigator" with "the know-how and confidence to try a case effectively."

We'll be profiling some of those Kitchen Wall accomplishments in upcoming editions of the KTBH *Reporter*. If something exciting or newsworthy is going on, something that you would like to share in the *Reporter*, let us know about it. Feel free to send those submissions for the Kitchen Wall section of the *Reporter* to Matt Rich (mrich@katzteller.com).

**Mark Jahnke, Wijdan Jreisat and Tara Klee** recently represented a client that acquired a business located in the United Kingdom. Katz Teller's participation in the Meritas network allowed it to put together the right team to bring this transaction to a successful conclusion for our client. Mark and Tara were also retained to represent a company in Fargo, North Dakota, in a \$90 million sale to a foreign buyer. Katz Teller was recommended by a Minneapolis investment banking firm with which it has worked in the past.

**Wijdan Jreisat** is a member of the inaugural class of WE Lead and has been chosen as a member of the 2007-2008 class of Leadership Cincinnati, both programs sponsored by the Cincinnati USA Regional Chamber of Commerce. She was also recently honored as the National Philanthropy Day Honoree of the Girl Scouts-Great Rivers Council for her work with that organization.

**Reuven Katz** achieved every golfer's dream in a round this summer – he shot under his age. Reuven, who is 83, shot an amazing 82 at the Cincinnati Country Club on August 12.

**Andy Berger, Joe Brant, Jody Brant, Bob Brant, Bill Hayden, Guy Hild, Mark Jahnke, Reuven Katz, Steve Kisling, Bob Pitcairn, Bill Russo, Jerry Teller and Dan Utt** were listed in 2007 edition of the *Best Lawyers in America* published by Woodward & White.

**Matt Rich** was admitted to the Kentucky Bar on successful completion of the Kentucky Bar Exam, and will be married to Cathy Howard, an attorney at Taft Stettinius & Hollister, on September 8, 2007.

**Jerry Teller** was named 2007 Robert V. Goldstein Volunteer of the Year by the Jewish Federation of Cincinnati. Jerry is a past President of the Jewish Federation of Cincinnati and Cedar Village, a campus for Jewish elderly, and he is currently a Governor of the Hebrew Union College-Jewish Institute of Religion.

**Dan Utt** recently closed a land acquisition and development financing for a \$58 million condominium complex in Florida. He has also recently assisted clients with the development, leasing and financing of retail shopping centers with national tenants in Ohio, Kentucky and Pennsylvania. In his spare time, Dan continues to be actively involved as a board member and coach for youth football and lacrosse programs in Mariemont and Terrace Park.



**MARK JAHNKE IS DEAL MAKER OF THE YEAR**



**K**atz Teller attorney Mark Jahnke was recognized as the 2007 Service Provider "Deal Maker" by the Cincinnati Chapter of the Association for Corporate Growth (ACG). ACG honored Mark specifically because of his "visionary, creative and persistent efforts in completing merger, acquisition and divestiture transactions."

Mark has led deals big and small, and has received accolades for his work from his peers and from various publications.

Just this year he was again recognized as one of the top 100 lawyers in Ohio and top 50 in Cincinnati.

Mark credits his success, in large part, to the M&A team at Katz Teller. However, as he said in his speech at the ACG Deal Maker awards dinner, "Those who know me know the best deal I ever made... my wife, Karen Jahnke." Mark and Karen recently relocated to the East Side, and are enjoying their new home and picturesque view of the Ohio River.

**BOB PITCAIRN TOPS AMONG OHIO ATTORNEYS; 13 KATZ TELLER ATTORNEYS ARE "SUPER LAWYERS"**



**I**n the 2007 Ohio Super Lawyers voting, Katz Teller litigation attorney Bob Pitcairn received more votes than any other attorney in Ohio.

Each year, Law & Politics solicits nominations from over 28,000 Ohio attorneys, looking for "Super Lawyers." Attorneys are asked to nominate other attorneys they've seen in action and consider to be outstanding. The nominations are then reviewed by a panel of industry leaders, and voting commences. Only the top 5% of all lawyers in Ohio are selected by their peers to be Super Lawyers. When the nominations were in and the votes were tallied for those nominated, Bob was the top vote-getter in Ohio. This is a testament to Bob's courtroom prowess and his well-earned reputation in the legal community.

In addition to Bob, **Guy Hild** (Domestic Relations/Estate and Wealth Planning/General Business and Tax), **Mark Jahnke** (Corporate/General Business and Tax/Health Care/M&A) and **Bill Russo** (Estate and Wealth Planning/General Business and Tax/Health Care) also earned top 50 status in Cincinnati and top 100 status in Ohio. Eight other Katz Teller attorneys were selected as Super Lawyers: **Jody Brant** (Estate and Wealth Planning/General Business and Tax/Health Care/Insurance), **Joe Brant** (Estate and Wealth Planning), **Bob Brant** (Employee Benefits/Estate and Wealth Planning/Tax), **Cynthia Gibson** (Employment Law/Litigation), **Bill Hayden** (Creditors' Rights and Bankruptcy/Estate and Wealth Planning/General Business and Tax/Insurance), **Wijdan Jreisat** (Domestic Relations/ Employment Law/Litigation), **Jim McCarthy** (Litigation) and **Jerry Teller** (Domestic Relations/General Business and Tax).

**FIVE KATZ TELLER ATTORNEYS ARE "RISING STARS"**

**F**ive attorneys from Katz, Teller, Brant & Hild were named as 2007 Rising Stars. Only the top 2.5% of Ohio up-and-coming attorneys made the list. The Katz Teller attorneys selected for this honor are **Sheri Auttonberry** (Litigation), **Jerome Bishop** (Litigation), **Adam Colvin** (Corporate/General Business and Tax/Health Care/Real Estate), **Laura Hinegardner** (Litigation) and **Tara Klee** (Corporate/Environmental/Finance and Lending/General Business and Tax/Information Technology and e-business/Real Estate).

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