

Letter Regarding Merger and Acquisition Tax Considerations

Date: [Insert Date]

To: [Recipient's Name]
[Company Name]
[Address]
[City, State, Zip]

Dear [Recipient's Name],

As we move forward with the proposed merger between [Company A] and [Company B], it is crucial to address the tax implications that may arise from this transaction. Below are some key considerations we should evaluate:

1. **Tax Structure:** Analyze the preferred structure (e.g., asset purchase vs. stock purchase) to optimize tax efficiency.
2. **Carryover of Tax Attributes:** Determine if any tax attributes from the acquired company can be carried over, such as net operating losses or tax credits.
3. **Goodwill Treatment:** Assess how goodwill will be treated for tax purposes and its impact on future amortization.
4. **State and Local Tax Implications:** Review potential state and local tax liabilities that may arise due to the merger.
5. **Compliance and Reporting:** Outline any compliance requirements for tax filings post-merger.

We recommend scheduling a meeting to further discuss these considerations and develop a comprehensive strategy. Please let us know your availability for a discussion.

Thank you for your attention to these important matters. We look forward to collaborating on a successful merger.

Sincerely,
[Your Name]
[Your Title]
[Your Company]
[Your Contact Information]