



# Levy Tax & Consulting

## No Surprises on April 15th: Levy is 'Go-To' CPA For Lawyers and Their Firms

By Jill Lerner

**"N**o surprises on April 15th." This is a mantra that Sam Levy lives by, and it is why Levy Tax & Consulting, LLC now works with over 125 law firm partners in Atlanta.

These include at least one partner in nearly every major Atlanta law firm.

In addition to specializing in tax compliance and planning for law firm partners, Levy Tax & Consulting prepares partnership tax returns for approximately 45 law firms throughout the metro area.

From the complexities of being a partner in a law firm to the intricacies of tax planning, Levy Tax & Consulting brings expertise, a record of success, and proactive and innovative strategies focused not only on April, but also on those critical eleven other months of the year.

"It's all about anticipation of needs," says Levy.

For example, many lawyers don't estimate profits accurately. Since many law firms' taxable profits come in the latter part of the year, clients can maximize or properly plan their cash flow by doing a better job annualizing their estimated tax payments in accordance with firm profits, Levy says.

This is especially important for equity partners. Whereas a non-equity partner gets compensated approximately the same amount each month, the personal situation of an equity partner relates directly to the firm's profits. One year the firm may be moving ahead in a predictable fashion, and the next year a large case settlement could cause the revenue stream and bottom line to increase significantly. This can have enormous tax implications, so it is important to provide that person with advice for hopefully reducing a big tax hit, or how to plan appropriately for the tax bill to come. That's where tax-planning strategy comes in.

Retirement plans are another area for tax savings that often are overlooked. The right retirement plan, Levy says, can save attorneys tens of thousands of dollars in taxes and help them build tax-deferred wealth over time.

"I have seen many clients save a ton of money and make a ton of money with the implementation of the appropriate retirement plan," says Levy.

"I have seen \$10,000 increase to \$50,000 and \$50,000 increase to \$200,000 – this is a great way to save taxes and build significant wealth, and it just takes the right plan implementation, yearly tax planning and the commitment to make it happen."

Such expertise has made Levy Tax & Consulting the "go-to" CPA firm for law partners' personal tax planning needs - as well for the accounting and tax planning needs of their firms.

Doug Spear, a partner with Nelson Mullins Riley & Scarborough, LLP has been a personal client of Levy's for more than 10 years.

"Sam's knowledge of law firm K-1's, multi-state tax issues and other tax matters has created tax savings and has eased the burden of



Photography by Bill Adler



annual tax filings,” says Spear.

Josh Becker, a partner with Alston & Bird, LLP, credits Levy with advising him through Becker’s progression from associate to partner.

“Sam has done a wonderful job preparing my tax returns for the last eight years,” he says.

“He assisted me with the then unknown-to-me process of making estimated payments, and he understands my tax situation.”

Levy Tax & Consulting won a client in April when the firm was approached by a law firm partner who asked Levy’s team to assess her previous accountant’s draft of her tax return. Upon reviewing the return, it was clear that the handling of the multi-state K-1’s and the related credits received from paying taxes in other states hadn’t been considered. The result was that Levy Tax & Consulting was able to save her \$20,000 in state taxes by preparing the return accurately.

On the corporate side, Levy helps law firms with addressing multi-state tax issues, cash flow planning, partnership structuring, reviewing compensation, choosing and implementing retirement plans, preparing tax returns and developing internal accounting best practices, among many other areas.

Levy assists firms of every corporate structure including sole proprietors, LLC’s, LLP’s, PC’s and S Corporations.

Again, it’s about anticipating needs.

This is especially true with regard to personal injury, medical malpractice, litigation or cases on contingency. When a large case settles and a large payment comes in, the firm is thrown into a financial whirlwind of potential taxation and decisions. Certainly the partners like to distribute as much cash as possible, but paying off lines of credit, saving for taxes and managing firm cash flow all need to be considered.

Levy also assists firms in analyzing the structure and fairness of partnership relationships. In the early days of partnerships, there

may be a 50/50 split defined, but as the firm develops, it’s possible one partner is consistently bringing in more of the business and contributing more to the bottom line.

“We become an independent sounding board to partners,” says Levy.

“We look at all aspects of the practice and make sure everything is structured realistically and this helps keep the lines of communication open and compensation going to the right place.”

His grasp of the issues has won Levy Tax & Consulting many loyal law firm clients.

“Levy Tax & Consulting has played an integral part in assisting our firm’s cash flow fluctuations from year to year,” says Geoff Pope, owner of Pope & Howard, P.C.

“When our large cases have settled, Levy has guided us with tax projections, retirement plan alternatives and we’ve implemented year-end tax-savings strategies.”

Law firm Savell & Williams, LLP also is a fan.

“Our firm has benefited greatly by having a solid CPA firm to rely on,” says Gregg Porter, a partner with Savell & Williams.

“We’ve restructured our retirement plan, accounting system and implemented other tax strategies through their recommendations. Our K-1’s are issued on a timely basis and Levy Tax & Consulting is extremely responsive when a need arises.”

Levy’s firm contacts clients at least four or five times per year. He and his team advise clients on how to estimate and position their tax payments throughout the year so as to prepare for the end of the year and tax-filing deadlines. This may mean increasing estimated payments or even paying out a year-end bonus with appropriate tax withholdings.

While building a business takes time and attention, Levy’s personal life is happy and productive as well. Married to Andrea, his wife of 13 years, the couple is raising three children – Sydney, Jordan and Molly, ages 10, 8 and 3. An avid Georgia Bulldogs fan, Levy also plays tennis and is active with Temple Emanu-El of Dunwoody, where he currently serves on the board of directors. He also serves as chairman of the financial and budget oversight committee for Camp Judaea, a nonprofit summer overnight camp that Levy attended and his kids now attend.

Although Levy’s firm works with all sorts of businesses and individuals, Levy particularly enjoys working with attorneys: “I understand how they think and how they want to be advised.”

He continues, “While they are focusing on what they do best, we are behind the scenes, looking out for their well being. That’s what they do for their clients and that’s what we do for them.”