



Masha M. Yevzelman

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Services

Tax Disputes & Litigation

Property Tax Appeals

Business & Tax Planning

Litigation

Trusts & Estates

Trusts & Estates Litigation

Sports & Entertainment

Masha chairs Fredrikson's Tax Disputes & Litigation Group. She represents public and private companies, trusts, estates and high-net-worth individuals in complex tax disputes. She handles all stages of tax controversies—voluntary disclosures, audits, administrative appeals, tax court, district court and appellate litigation.

Her experience includes resolving and litigating numerous types of tax disputes:

- **State Corporate Income and Franchise Taxes:** including nexus and Public Law 86-272, combination, business versus non-business income, allocation and apportionment issues (including sales factor sourcing), and credits (e.g., R&D, JOBZ, etc.);
- **Sales and Use Taxes:** including nexus, taxation of goods and services (e.g., digital goods, computer software, software as a service, telecommunication services, sales of electricity, advertising, prepared food), bundled transactions, sales for resale, “sales price” (e.g., cost of goods sold, services necessary to complete the sale, delivery charges, discounts, consideration received from third parties), sourcing, exemptions (e.g., qualified data center, manufacturing/ industrial production, capital equipment, advertising, occasional sales, waste management, purely public charities), qui tam actions, and voluntary disclosures;
- **Federal and International Tax Disputes:** including audits and appeals involving the Global High-Net Worth initiative, offshore foreign financial asset disclosures, section 469 passive/non-passive income and losses, and section 183 hobby losses;
- **Real and Personal Property Taxes:** including state-assessed property (railroads, pipelines, utilities) and exempt property (public hospitals, hospital districts, clinics, nursing homes, churches, and institutions of purely public charity);
- **Other State and Local Taxes:** including MinnesotaCare Tax, Insurance Premiums Tax, Withholding Taxes (including worker classification), Tobacco Products Tax, and Minneapolis Entertainment Tax;
- **State Individual Income Tax:** including audits and appeals involving residency changes, personal and officer liability, criminal tax matters, section 469 passive/non-passive income and losses, and section 183 hobby losses.

Masha serves clients from a variety of industries, including retail, product distribution, manufacturing, financial services, insurance, aerospace, computer software, energy, healthcare, telecommunications, aerospace/automotive, hotel, cooperatives, restaurants, and entertainment.

Experience

State Corporate Income & Franchise Taxes

- Represent an air carrier in an income tax dispute before the Minnesota Tax Court in which the court held that the Minnesota Minimum Fee's inclusion of Minnesota sales or receipts for airlines is preempted by the federal Anti-Head Tax Act, 49 U.S.C. § 40116, which prohibits states from taxing the gross receipts of airlines.
- Represent several large manufacturers before the Minnesota Department of Revenue and the Minnesota Tax Court in Public Law 86-272 disputes.
- Represented a publicly traded manufacturer in a corporate franchise tax dispute before the Minnesota Tax Court regarding whether a manufacturing entity was unitary with a related financial services entity, whether one of the related entities had nexus with Minnesota, and regarding unconstitutional distortion resulting from the state's assessment and alternative apportionment.
- Represent a multi-tiered pass-through entity in a dispute before the Minnesota Department of Revenue regarding whether related lower-tiered partnerships that were controlled by an unrelated third party were unitary with the parent holding company.
- Represented a food processing company before the Minnesota Tax Court in a corporate franchise tax dispute. At issue was how to source the client's "bill and hold" sales to its customer for sales factor purposes when title to the goods transferred to the customer while the products were in Minnesota, but the customer did not physically receive the goods in Minnesota.

Sales & Use Tax

- Represented a large retailer (Fortune 50) before the Minnesota Department of Revenue and the Minnesota Tax Court in a dispute relating to whether software purchased by the retailer and loaded or used at the retailer's qualified data center was exempt from Minnesota sales and use tax.
- Represented a marketplace provider before the Minnesota Tax Court in a sales-and-use tax dispute regarding whether a marketplace was responsible for sales and use tax collection for periods before the effective date of Minnesota's marketplace provisions.
- Represented Ticketmaster in a sales tax matter before the Minnesota Tax Court. Following trial, the court held that Ticketmaster's convenience charges and processing fees are not subject to the Minneapolis Entertainment Tax.

- Represented a telecommunications provider (Fortune 100) in a sales-and-use tax dispute relating to sourcing of telephone calls as well as the taxability of free phones given away with purchases of services.
- Represented a distributor of medical imaging equipment and x-ray consumables in a sales tax matter before the Minnesota Tax Court. Following trial, the court held that discounts/credits received by the distributor from manufacturers in exchange for honoring pricing agreements between the manufacturers and their customers are not part of the gross receipts from the retail sale and as such are not subject to sales tax.
- Represented 16 electrical cooperatives in Minnesota sales tax refund appeals before the Minnesota Tax Court and Minnesota Supreme Court relating to determining the correct sales price of electricity sold by the cooperatives and addressing whether the state's assessments of refunds previously issued were barred by the erroneous refund statute of limitations.
- Represented an emerging retailer in multistate sales tax disputes regarding nexus and several *qui tam*.

Property Tax

- Represented a hospital district in a property tax exemption matter before the Minnesota Supreme Court and Minnesota Tax Court, in which the Minnesota Supreme Court affirmed the Minnesota Tax Court's opinion that medical clinics owned and operated by the District were exempt from property tax because they were operated to improve and run the hospital—they helped attract physicians and patients, improved the hospital's overall operations and service delivery, increased patient follow-up, provided physical space for use by other Hospital departments.
- Represented a pipeline in a series of personal property tax appeals before the Minnesota Tax Court.

Federal & International Tax

- Represent individuals in audits by the IRS's Global High Net Worth team.
- Represent clients before the IRS in audits and appeals relating to Foreign Bank Account Reporting (FBAR), foreign pension plans (including superannuation funds), foreign trusts, ownership of non-U.S. entities (including Passive Foreign Investment Companies—PFICs) and other unreported offshore assets and income.
- Represented a client in a built-in-gains tax matter before the U.S. Tax Court.
- Represented clients in a transferee liability matter before the U.S. Tax Court.
- Assist individuals and companies in becoming compliant with their U.S. tax and reporting obligations through the IRS's 2009, 2011, 2012 and 2014 Offshore Voluntary Disclosure Programs (OVDP and OVDP), Streamline Programs (SDOP and SFOP) and Delinquent Filing Procedures.

Individual Income Tax

- Represented an individual before the Minnesota Tax Court in a residency dispute in which, following a trial, the Minnesota Tax Court held that the taxpayer was a domiciliary of Florida and not Minnesota, even though his wife remained a Minnesota resident.
- Assist clients with planning and executing residency changes from Minnesota to other states.

Other Tax Types

- Represent clients in MinnesotaCare Tax audits and appeal before the Minnesota Department of Revenue and the Minnesota Tax Court.
- Regularly represent companies in worker classification audits and appeals before the Minnesota Department of Revenue and the IRS.

Credentials

Education

- University of Minnesota Law School, J.D., 2007, *magna cum laude*
- Macalester College, B.A., 2004, *magna cum laude*

Admissions

- Minnesota, 2007
- Wisconsin, 2016
- U.S. District Court for the District of Minnesota, 2007
- U.S. Tax Court, 2012

Languages

- Russian

Recognition

- Top Women in Law Honoree, *Minnesota Lawyer*, 2023
- Women in Business Honoree, Individual Recognition, *Minneapolis/St. Paul Business Journal*, 2022
- Friend of the Profession Award, Minnesota Society of CPAs, 2021
- Jack Carlson Memorial Distinguished Service Award, Minnesota State Bar Association, 2020

- Attorney of the Year, Individual Recognition, *Minnesota Lawyer*, 2020
- North Star Lawyer, Minnesota State Bar Association, 2014
- Future Star, *Benchmark Litigation*, 2009
- Order of the Coif

Civic & Professional

Professional Activities

- Jewish Family Service of St. Paul, Board of Directors Member, 2023
- American College of Tax Counsel, Fellow, 2023
- Institute for Professionals in Taxation, Twin Cities Local Luncheon Group Chair
- American Bar Association, State and Local Tax Executive Committee Member
- Minnesota Center for Fiscal Excellence, Executive Committee Member
- Minnesota State Bar Association, Tax Section Council Member, 2012-present, Tax Section Council Chair, 2015-2016
- Hennepin County Bar Association
- *Minnesota Law Review*, Managing Editor, 2006-2007; Staff Member, 2005-2006

Community

- Lakewinds Natural Foods Cooperative, Board Member and Board Secretary, 2011-2013

News

Firm News | 09.07.2023

Masha Yevzelman Selected as an Honoree for the Minnesota Lawyer Top Women in Law Awards

Firm News | 06.26.2023

Fredrikson Shareholder Masha Yevzelman Appointed to Jewish Family Service of St. Paul Board of Directors

Firm News | 03.02.2023

Attorney Masha Yevzelman Elected Fellow of the American College of Tax Counsel

Firm News | 03.15.2022

Masha Yevzelman Named a 2022 Women in Business Honoree

Firm News | 12.18.2020

Attorney Masha Yevzelman Honored By Minnesota State Bar Association Tax Law Section

Firm News | 09.02.2014

Fredrikson & Byron Announces New Shareholders

Speaking Engagements

Event | 05.17.2023

Let's Talk About Tax--An Annual Sampler

Event | 05.25.2022

Let's Talk About Tax--An Annual Sampler

Event | 11.04.2021

Revisiting the "Three-Legged Stool": Is Good Tax Policy Dead?

Event | 06.10.2021

State Tax: Multistate Legislative Session Review

Event | 04.29.2021

FBAR Controversies Continue: Foreign Account Reporting, Compliance Requirements, and Litigation Update

Event | 03.18.2021

Conservation Easement Donations: Great for the Environment, Thorny for Taxpayers

Event | 11.12.2020

Leaving Town? Top 10 Minnesota Residency Myths Debunked

Legal Updates

Legal Update | 12.05.2022

Independent Contractors versus Employees – Worker Classification for Tax and Employment Purposes

Legal Update | 11.17.2020

Updated Minnesota Qualified Data Center Guidance: Distributed Software and Documentation

Legal Update | 04.22.2020

Minnesota Among First States to Ease Nexus Application for COVID-19 Telecommuters

Legal Update | 03.21.2020
Tax Filing Season Impacted by COVID-19

Legal Update | 09.10.2018
Offshore Voluntary Disclosure Program to End September 28, 2018

Legal Update | 06.22.2018
Nexus in a Post-Wayfair World

Legal Update | 09.01.2017
Minnesota Expands Definition of “Financial Institution” for Tax Purposes

Legal Update | 06.01.2017
Changing Residency: Keeping a Minnesota Bank Account and Financial Adviser No Longer Matters!

Legal Update | 05.31.2017
Residency Legislative Alert: Location of Attorney, CPA, Financial Adviser or Bank Account May No Longer Be Considered in Domicile Determinations

Legal Update | 12.01.2016
Banks Dispute Minnesota’s State Taxes

Legal Update | 02.01.2011
Reporting Foreign Financial Accounts: IRS Announces New Voluntary Disclosure Program

Publications & Presentations

Speaker, *Nexus/Schmexus: I’m an Employer Just Letting My Employees Work Remotely. Why Are They Trying to Tax Me? Can They Do That?*, Minnesota CLE 2022 Tax Institute, December 12, 2022

Speaker, *What to Know About Worker Classification – Independent Contractor vs Employee*, Minnesota CLE 2022 Tax Institute, December 12, 2022

Speaker, *Income Tax Nexus After Wayfair*, Minnesota CPA Tax Conference, November 15, 2022

Speaker, *Guide to Surviving Residency Audits*, Minnesota CPA Tax Conference, November 14, 2022

Speaker, *Top 10 Cases – Income Tax*, Council on State Taxation Annual Meeting, October 6, 2022

Speaker, *Discussion of State Tax Cases, Issues, and Policy Matters to Watch*, Council on State Taxation Minneapolis Regional Meeting, September 22, 2022

Co-Presenter with Kyle Brehm, *Sourcing for Sales and Income Tax: Trends, Similarities, and Differences*, Council on State Taxation Mid-West Regional State Tax Seminar, September 22, 2022

Speaker, *The Sales Price Shakedown: Discounts, Bundling, and Services Necessary to Complete the Sale*, Institute for Professionals in Taxation Annual Conference, June 26-29, 2022

Speaker, *Residency for Estates*, Minnesota CPA Estate & Personal Financial Planning Conference, June 20, 2022

Speaker, *Nexus and Tax Implications of Employees in Multiple States*, Minnesota CPA Management and Business Advisers Conference, June 13, 2022

Co-Presenter, *The Great Migration: State and Local Tax Implications of Interstate Migration*, American Bar Association Tax Section, May 13, 2022

Co-Presenter, *Should I Let My Employees Work Remotely? State Income, Sales and Withholding Tax Nexus in a Post- Pandemic World*, Associated Corporate Counsel (ACC) Minnesota, March 30, 2022

Co-Presenter, *Developments in Property Tax Exemptions*, Minnesota CLE 2021 Property Tax Institute, February 28, 2022

Co-Presenter, *Residency/Remote Workers: Tax Updates on Residency and Considerations with Remote Workers*, Minnesota CLE 2021 Tax Institute, December 14, 2021

Speaker, *SALT Nexus Update*, Minnesota CPA Tax Conference, November 10, 2021

Speaker, *Residency Changes Revisited*, Minnesota CPA Tax Conference, November 9, 2021

Speaker, *Minnesota Tax Exemptions for Religious Institutions*, Minnesota CLE, August 2021

Speaker, *SALT Nexus Update: Compliance Challenges and Triumphs*, Minnesota CPA Management and Business Advisers Conference, June 22, 2021

Co-Presenter, *State Tax: Multistate Legislative Session Review*, Fredrikson & Byron and COST Webinar, June 10, 2021

Co-Presenter, *FBAR Controversies Continue: Foreign Account Reporting, Compliance Requirements, and Litigation Update*, Fredrikson & Byron Webinar, April 29, 2021

Co-Presenter, *Conservation Easement Donations: Great for the Environment, Thorny for Taxpayers*, Fredrikson & Byron Webinar, March 18, 2021

“Minnesota Data Center Exemption: DOR’s Revised Guidance Shows Progress,” *Tax Notes State*, December 14, 2020

Co-Presenter, *Leaving Town? Top 10 Minnesota Residency Myths Debunked*, Fredrikson & Byron Webinar, November 12, 2020

Co-Presenter, *Looking to Sell? Pre-Sale Considerations and Strategies to Avoid State Tax Pitfalls*, Fredrikson & Byron Webinar, October 8, 2020

Co-Presenter, *How COVID-19 Is Forcing States and Taxpayers to Re-Sweep the Minefield*, Fredrikson & Byron Webinar, August 3, 2020

Co-Presenter, *SALT Controversy Strategies from Audits through Litigation*, The State Tax Webinar Series, hosted by Fredrikson & Byron and Minnesota Society of CPAs, April 30, 2020

Blog Posts

Let’s Talk About Tax | 07.27.2023

What? *Another* Supreme Court Tax Case? Yup, but you really ought to watch THIS one...

Let’s Talk About Tax | 10.26.2022

Professor Moriarty Is Going to Make an Appearance at the U.S. Supreme Court

Let’s Talk About Tax | 06.09.2022

Minnesota Ends COVID-19 Nexus Relief

Let’s Talk About Tax | 12.03.2021

As Sherlock Holmes Would Say, “The Game’s Afoot”: A Possible SCOTUS Tax Case?

Let’s Talk About Tax | 11.11.2021

Down the Rabbit Hole: Should Companies Let Employees Work from Other States?

Let’s Talk About Tax | 08.12.2021

MTC “Cookie Monster” Seeks to Take a Huge Bite Out of Pub. L. 86-272

Let’s Talk About Tax | 06.03.2021

If I Spend Six Months and a Day in Another State, Can I Save Minnesota State Income Tax?