

Won a trial verdict for IBM as plaintiff in a \$6.1 million tax dispute against the City of Golden involving sales and use taxes assessed over a seven-year span.

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WTO attorneys Hugh Gottschalk and Pawan Nelson

WTO attorneys successfully represented IBM Corp. in a trial in Denver to dispute taxes assessed by the City of Golden relating to IBM's management of a data center for Xcel Energy. Golden contended that transactions between IBM and Xcel spanning a seven-year period (2006-2012) were taxable.

At trial, IBM contested Golden's attempts to recover \$6.1 million, which included a 50% penalty imposed by the Colorado Department of Revenue. In its July 1 ruling, the Court invalidated Golden's assessments and the Department of Revenue's penalty. The ruling caps a long-running dispute between IBM and Golden on this issue.

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