Wheeler Trigg O'Donnell

Won affirmance of our trial victory for IBM Corp. in a $6.1 million municipal tax dispute.

2020

WTO won affirmance in the Colorado Court of Appeals for IBM Corp. in a $6.1 million municipal tax dispute against the City of Golden.

The case arose from litigation surrounding audits of a data center that IBM managed for Xcel energy. Following one of these audits, 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. However, WTO prevailed for IBM. In its ruling, the court invalidated Golden's assessments and the Department of Revenue's penalty.

Following the trial, the City of Golden appealed, stating that IBM was barred from challenging Golden's attempts to recover the $6.1 million based on a decision in a separate and prior litigation. However, the court of appeals rejected these claims, affirming WTO's trial victory.

Related Professionals

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