



Pat Smith Quoted in Tax Notes on Petition for Rehearing En Banc in Altera

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IPB attorney Pat Smith was quoted in a *Tax Notes* article on the petition for rehearing en banc that has been filed by the taxpayer in the Ninth Circuit in the *Altera* case.

Patrick J. Smith of Ivins, Phillips & Barker Chtd. told *Tax Notes* he was pleased to see that *Altera* emphasized the point that the government's inconsistent position on the need for comparability analyses violated the *Chenery* doctrine.

"I wish the petition had gone on to say that an additional violation of *Chenery* is that Treasury never said it believed cost-sharing arrangements are transfers or licenses of intangibles so as to be directly subject to the commensurate with income standard," Smith said. He noted that the majority's finding that cost-sharing arrangements should be considered transfers of intangible property provided a key basis for its decision to uphold the regs.