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Business Valuations and the IRS: Five Books in One

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Book Review by Michael D. Pakter, CPA, CFF, CGMA, CFE, CVA, MAFF, CA, CIRA, CDBV

In this article, Michael D. Pakter, writes a brief review of Michael Gregory's latest book, *Business Valuations and the IRS: Five Books in One*.



Resources:

[Business Valuations and the IRS: Five Books in One](#) is the most comprehensive publication ever written for business valuers who prepare appraisals for federal tax purposes. Order today for only \$245 with free ground shipping included!

Business Valuations and the IRS: Five Books in One is the most comprehensive publication ever written for business valuers who prepare appraisals for federal tax purposes. It compiles five books into one with five parts; the first two parts present processes and approaches to resolve conflict, followed by three parts addressing the most common adjustment areas by IRS engineers and valuers.

Part one offers an orientation to IRS organization and culture, IRS official and unofficial rules of engagement, how classification works in general and in business valuations, suggestions for how to work with IRS valuers and specialists, and recommendations for using expert witnesses.

Part two shows the reader how to resolve issues with the IRS. The most common errors in valuation are presented, followed by strategies for issue resolution and mediation, suggestions for using the IRS evaluation process to resolve issues, strategies for resolving conflicts with IRS teams and agents, and suggestions for writing a business valuation report for the IRS while avoiding potential penalties.

Part three focuses on S corp valuations and the additional risks associated with S corps. Fifteen items are presented that business valuers should request from clients in every S corp valuation. Recommendations are then offered based on how the IRS approaches S corp valuation issues.

Part four addresses reasonable compensation. This includes a thorough review and critique of the IRS Job Aid on reasonable compensation as well as its extremely useful appendix. Specific recommendations are presented based on practical experiences with the IRS.

Part five provides the reader with the most current thinking, ideas, tools, and approaches related to discount for lack of marketability. The *IRS Job Aid* is presented and critiqued with the most current thinking by then-current as well as new models used by valuers.

- 852 pages, \$245 from NACVA, [available NOW \(just published!\)](#)
- 181 Practical pointers = 11.5 per chapter, placed at the end of each chapter. These are hands-on.
- 38 Examples (one to four-page real-life stories from Mr. Gregory's actual experiences working with valuation issues in all areas covered by the book)
- 25 Golden suggestions for avoiding/reducing/resolving conflict with the IRS
- 44 Helpful charts and photos scattered throughout the book
- 233 Need-to-know IRS terms in a special IRS glossary
- 150 Acronyms for valuation professionals
- Audit Process Chart, Negotiation Process Chart, Negotiation Strategies Chart
- 3 full Job Aids covering the most common areas of valuation friction between taxpayers and the IRS written by original champions with up-to-date commentaries by that same champion plus inputs by many other valuation professionals who were specially solicited for comments for this edition by the author.

In short, this book is a "must-have" book for professionals...Mr. Gregory calls this book "the most comprehensive and up-to-date book on this subject ever written." There is no other book available (or even possible, given his background) which rises to this level of quality and thoroughness in the valuation world.

Michael D. Pakter, CPA, CFF, CGMA, CFE, CVA, MAFF, CA, CIRA, CDBV, NACVA Instructor, and Managing Member of Gould & Pakter Associates, LLC, a Chicago-based CPA, business valuation and litigation support services firm. Mr. Pakter has more than thirty-five years of experience in accounting, forensic accounting, financial analysis, financial forensics, business economics, fraud examinations and investigations, including more than fifteen years of experience in economic damages and business

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