

Contact

Houston

1200 Smith Street, Suite 1400
Houston, Texas 77002-4310
Tel: 713.658.1818
Fax: 713.658.2553

Atlanta

191 Peachtree Street, N.E.,
Forty-Sixth Floor
Atlanta, Georgia 30303
Tel: 404.659.1410
Fax: 404.659.1852

Philadelphia

50 South 16th Street, Suite
1700
Philadelphia, PA 19102
Tel: 610.772.2300
Fax: 610.772.2305

San Antonio

112 East Pecan Street, Suite
1450
San Antonio, Texas 78205
Tel: 210.253.8383
Fax: 210.253.8384

“Synthes: Clash of the Tax Titans” Article in Tax Notes State

Jennifer Karpchuk quoted in “Synthes: Class of the Tax Titans”

September 28, 2020

In an article published in Tax Notes State on September 28, 2020, Philadelphia-based Chamberlain Hrdlicka shareholder Jennifer Karpchuk discusses questions surrounding how the department and the attorney general, both vital instruments of state government, came to be in court battling over the interpretation of the sourcing statute in the *Synthes USA HQ Inc. v. Commonwealth of Pennsylvania* opinion.

“At the commonwealth court, negotiations are with the attorney general’s office, with the department essentially acting as its client,” explains Karpchuk. “The attorney general’s office reviews settlement offers with the department, and the department will indicate its acceptance or rejection of an offer to the attorney general. However, the attorney general will occasionally settle matters over the objection of the department.”

Karpchuk further explains that, “there can be disagreements between the two in settlement negotiations behind the scenes, which is when the attorney general’s office may occasionally settle a case over the objections of the department. This is because as the Synthes dissenting opinion pointed out, the attorney general believes its role is to represent the interests of the commonwealth as a whole, and that includes its own conclusions on legal issues that could at times differ from those reached by the department.”

The article discusses that while Synthes may be the first time the benefits-received vs. cost of performance debate between the department and the attorney general has reached the court, it is impossible to believe this is the first time the issue has arisen during settlement negotiations.

To read the article in full, subscribers may [click here](#).