



Eugene W. Chianelli, Jr.

PARTNER

echianelli@smithdebnamlaw.com

919.250.2231

AREAS OF PRACTICE

- Corporate & Business Law
- Business Litigation
- Estate Planning, Administration & Wills

GET IN TOUCH

echianelli@smithdebnamlaw.com

 919.250.2231

 919.250.2211

Raleigh

The Landmark Center
4601 Six Forks Road
Suite 400
Raleigh, NC 27609

 [@TheRealEWC](https://twitter.com/TheRealEWC)

MY PROFILE

Gene Chianelli is a tax law attorney with more than 20 years of experience assisting private and public entities with state and federal tax policy, planning, and compliance. He is a member of the North Carolina Bar Association Tax Council and currently serves as an adjunct professor at Campbell University's Lundy-Fetterman School of Business, where he teaches advanced income taxation to law students and students enrolled in the school's Master of Trust and Wealth Management program.

GET TO KNOW GENE

What do you enjoy most about being a lawyer?

What I find most satisfying about being an attorney is doing an excellent job for my clients, thereby helping them achieve a goal vital to them.

When did you know you wanted to become a lawyer?

I first knew I wanted to become a lawyer when I was a sophomore in high school. During that year, I was fortunate to intern for two attorneys who introduced me to the profession, but more importantly, opened my eyes to the "people-side" of the job – the people who are at the center of the work lawyers do. Helping people, putting my knowledge to work to help others – from that moment, I was hooked.

What was your first job in life and what lessons did it teach you?

My first job was working at a pharmacy stocking shelves and delivering prescriptions. It taught me the importance of: 1) attention to detail; 2) punctuality; and 3) communicating directly with colleagues.

What do you enjoy outside of work?

What I enjoy most is spending time with my wife and three children. Outside of that, I enjoy sports (spectating and participating), outdoor activities, music, and traveling.

What is one personality trait you feel makes you a good lawyer and why?

The one personality trait I believe is essential for a good lawyer to possess would have to be the ability to relate well to other people. Of course, to do that – one needs to be an active listener and excellent communicator, as well as possess a natural curiosity. I believe my ability to relate well to people has enabled me to build lasting, trusting relationships with my clients.

MY CREDENTIALS

Admissions

- North Carolina State Bar, 2006
- United States Tax Court, 2006

Professional Affiliations

- North Carolina Bar Association - Tax Section Council, Member, 2006-present; Chair, Continuing Legal Education Committee, 2008-2011, 2012-2013; Secretary, 2011-2012; Treasurer, 2012-2013; Vice Chair, 2013-2014; Chair, 2014-2015; Chair, Nominating Committee, 2015-2016

Community Involvement

- March of Dimes of Eastern North Carolina, Board Member, 2017-present

REPRESENTATIVE CASES

North Carolina Tax Refund Litigation

- Tax refund litigation representing a major public utility against the North Carolina Department of Revenue
- Size of Transaction: \$30 million (amount of the North Carolina tax refunds sought)
- Co-lead counsel in all phases. The outcome of the litigation was a favorable settlement on the eve of hearings on motions for summary judgment
- Developed arguments on novel issues of North Carolina law using law from other states; all motions and summary judgment memoranda; all phases of discovery; strategic and substantive advice on the litigated issues; all applicable federal tax analysis; government relations advice and successfully securing a technical correction to North Carolina tax law
- Major Tax Issues Involved: Novel North Carolina issues regarding the effect of federal adjustments on North Carolina tax; federal corporate tax issues

Split-Off of Operating Division

- Tax-free split-off of an operating division from a diversified international company
- Size of Transaction: \$150 million (annual revenue of the operating division), \$3 billion (annual revenue of the diversified international company)
- Lead tax counsel for the diversified international company
- Provided tax opinion and the supporting legal memorandum; structuring advice for the transaction; advice on tax-related provisions in the transaction documents; drafting of tax-related provisions in the transaction documents; advice on pursuing a private letter ruling from the IRS
- Major Tax Issues Involved: Qualification of the split-off under I.R.C. §§ 368(a)(1)(D)

and 355, including significant issues related to each of the device, control, historic business, continuity, and business purpose requirements; whether stock containing certain rights qualified as “stock” distributable under I.R.C. § 355; potential application of the I.R.C. § 355(e) rules due to certain post-transaction stock dispositions

North Carolina Tax Assessment Litigation

- North Carolina tax litigation against a major professional services provider
- Size of Transaction: \$3 million (amount of North Carolina assessment against client)
- Eugene Chianelli’s Role: Co-lead counsel in all phases. The outcome of the litigation was a victory on summary judgment and ultimately a successful settlement
- Eugene Chianelli’s Deliverables: Motions and summary judgment memoranda; discovery; strategic and substantive advice on the novel North Carolina tax issues being litigated
- Major Tax Issues Involved: Novel North Carolina partnership withholding issues; federal partnership tax issues

Reorganization of Real Estate Entity Structure

- Reorganization of the real estate entity structure for a diversified international company
- Size of Transaction: \$300 million (approximate real estate value), \$3 billion (annual revenue of the diversified international company)
- Lead tax counsel for the diversified international company
- Provided structuring advice for the transaction; advice on tax-related provisions in transaction documents; drafting of tax-related provisions in transaction documents.
- Major Tax Issues Involved: Tax effects of the consolidation of lower-tier partnerships on upper-tier partnerships; tax effects of the real and technical terminations of the consolidated real estate partnerships; potential application of the partnership “disguised sale” rules

Transformation of Historic Warehouse Property into Mixed-Use Property

- Rehabilitation of inner city historic warehouse property into mixed-use property consisting of a 292-room hotel and 71 condominiums. Financing facility included syndication of Federal and state historic rehabilitation and Brownfields redevelopment tax credits. The largest hotel redevelopment project in state history.
- Size of Transaction: \$66 million
- Key member of tax advisory team
- Provided substantial contributions to tax opinion and transactional documents
- Major Tax Issues Involved: Project qualification for tax credits, issues surrounding syndication of credits

Sale of Operating Company

- Sale of a privately-held pharmaceutical services company in a leveraged buy-out
- Size of Transaction: \$60 million
- Lead tax counsel for the sellers
- Provided structuring advice for the transaction; advice on tax-related provisions in the transaction documents; drafting of tax-related provisions in the transaction documents; opinions and supporting memoranda on tax issues

- Major Tax Issues Involved: Tax effect to the selling shareholders of a proposed I.R.C. § 338(h)(10) election; the treatment of target company tax attributes under I.R.C. § 382; the determination of shareholders' stock basis; the overall tax effect of the transaction to the selling shareholders

Entity Rollup for Diversified International Company

- Entity restructuring involving the consolidation of over 1,000 operating and non-operating subsidiaries of the parent company
- Size of Transaction: \$275 million (annual revenue of the subsidiaries), \$3 billion (annual revenue of the parent company)
- Lead tax counsel for the diversified international company
- Prepared tax opinion and the supporting legal memorandum; provided structuring advice for the transaction; advice on tax-related provisions in the transaction documents; drafting of tax-related provisions in the transaction documents
- Major Tax Issues Involved: Qualification of the consolidation under I.R.C. § 368(a)(1) (A); IRS reporting and disclosure requirements related to the consolidation

Joint Venture Structuring for European-based Participant

- Joint venture between U.S.- and European-based participants
- Size of Transaction: \$50 million
- Lead U.S. tax counsel for the European-based joint venture participant
- Prepared tax opinion and the supporting legal memorandum; provided structuring advice for the transaction, including selection of the appropriate joint venture entity; advice on tax-related provisions in the transaction documents; drafting of tax-related provisions in the transaction documents
- Major Tax Issues Involved: Whether participation in the joint venture constituted a "permanent establishment" of a U.S. trade or business by the European-based participant under Federal income tax and treaty provisions

ARTICLES & INSIGHTS

April 1, 2020

[The CARES Act: Business Tax Changes to Improve Liquidity](#)

March 25, 2020

[The Families First Coronavirus Response Act: A Guide for Employers](#)

March 20, 2020

[Income Tax Return Filing Deadline Now July 15th](#)

March 19, 2020

[IRS Clarifies Relief From April 15th Tax Payment Deadline](#)

March 17, 2020

[IRS Announces 90-Day Deferral of Tax Payment Deadline](#)

October 28, 2019

[Latest Opportunity Zone Regulations Provide Needed Clarity to Investors, Fund Managers, and Businesses](#)

June 21, 2019

[Supreme Court Issues Ruling in Tax Case](#)

April 18, 2019

[UPDATE: Treasury Department Issues Highly-Anticipated Proposed Regulations on Opportunity Zones](#)

NEWS

September 7, 2018

[Smith Debnam Laces Up for Backpack Buddies at 2018 North Hills 5k](#)

CONTACT US

919.250.2000
mail@smithdebnamlaw.com

RALEIGH OFFICE

The Landmark Center
4601 Six Forks Road, Suite 400
Raleigh, NC 27609

Phone: 919.250.2000
Fax: 919.250.2100

CHARLESTON OFFICE

171 Church Street
Suite 120C
Charleston, SC 29401

Phone: 843.714.2530
Fax: 843.714.2541