



# How Tax can add-value to the Real Estate Business

2023 Financial Services Tax Conference

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Shaping the future:  
**convergence  
& collaboration**  
2023 Financial Services Tax Conference

# Presenters

## Lou Cosentino

Partner, Tax  
NYFS Real Estate  
KPMG LLP

## Dene Dobensky

Partner, Tax  
NYFS Real Estate  
KPMG LLP

## Hebert Li

Senior Vice President, Tax  
Brookfield Asset Management

## Mike McMahon

EVP, Director of Tax  
RXR

## Ian Petropoulos

Partner, Tax  
NYFS Real Estate Practice Leader  
KPMG LLP

# Agenda

01

**State of the Industry**

02

**How tax can add value to the  
real estate business**

01

# State of the Industry

02

# How tax can add value to the real estate business

Panel Discussion

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# The Future of Tax

**CPE CODE 1718VA**

Tax plays a pivotal role throughout the real estate investment life cycle. From fund raising and structuring to acquisitions, the holding period, and windup, effective tax strategies can enhance after-tax IRR and investor returns.

Tax provides risk management to prevent damage to the brand and build investor confidence through timely provision of information.

This panel will provide insights on their experiences and leading practices in enhancing these benefits.

# Value Creation

CPE CODE 1718VA

- Product Development
- Distribution Channels
- Product Life Cycle
- Risk Management
- AI

## *The Private REIT*

CPE CODE 1718VA

### Foreign Institutions

- 1<sup>st</sup> pillar government safety net
- 2<sup>nd</sup> pillar employer provided
  - Self-employed
- 3<sup>rd</sup> pillar
  - Individual savings-type
- Superannuation funds
- Sovereign wealth funds
- Decommissioning funds

### Benefits

- Treaty network reduces withholding on net investment income
- No FIRPTA withholding on sales by statute (e.g., QFPF) or DC-REIT
- Statutory exemption for withholding on dividends and interest
- Reduce state tax exposure

# Product Life Cycle

CPE CODE 1718VA

- Underwriting
- Asset Management - Operations
- Exit

# Managing Risk

CPE CODE 1718VA

- Communication
- Competency
- Accountability
- Counsel

# Artificial Intelligence

CPE CODE 1718VA

- **Sum of online human knowledge**
  - Conclusions based on a set of rules
  - Replicate brain's processes
  - Building patterns
- **How AI and tax will co-exist**
  - Disrupting knowledge workers
  - Job definitions will change with new skills
  - Hallucinations

# Q&A

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# Thank you!

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