

[Firm Letterhead]

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

**Re: Tax Opinion Regarding Proposed Corporate Reorganization of [Company Name]**

Dear [Client Contact Name],

**1. Introduction**

You have requested our legal opinion regarding the federal income tax consequences of the proposed reorganization (the "Transaction") involving [Entity A] and [Entity B]. This letter outlines the tax strategy and the basis for our conclusions under the Internal Revenue Code (the "Code").

**2. Description of the Transaction**

Based on the representation of management, the Transaction will proceed as follows: [Insert detailed step-by-step description of the merger, acquisition, or spin-off].

**3. Scope of Review**

In rendering this opinion, we have examined the following documents:

- The Agreement and Plan of Reorganization;
- Certified copies of the Articles of Incorporation and Bylaws;
- Certificates of representations from executive officers.

**4. Legal Analysis and Tax Strategy**

It is our opinion that the Transaction qualifies as a tax-free reorganization under Section [Insert Section, e.g., 368(a)] of the Code. This conclusion is based on the satisfaction of the following requirements:

- **Continuity of Interest:** Shareholders of the target corporation will maintain a proprietary interest in the reorganized entity.
- **Continuity of Business Enterprise:** The issuing corporation will continue the target's historic business.
- **Business Purpose:** The Transaction is motivated by a valid corporate business purpose, specifically [Insert Purpose].

**5. Conclusion**

Subject to the limitations and assumptions stated herein, it is our opinion that for federal income tax purposes:

1. No gain or loss will be recognized by the participating corporations.
2. No gain or loss will be recognized by the shareholders upon the exchange of stock.
3. The tax basis and holding periods will carry over as permitted by law.

## **6. Limitations**

This opinion is based on current law and regulations and is subject to change if facts provided to us are inaccurate. This letter is intended solely for the benefit of [Client Name] and may not be relied upon by any other party.

Sincerely,

[Signature]

[Name of Partner/Attorney]

[Law/Accounting Firm Name]