

KENNETH J. KIES

Kenneth J. (Ken) Kies is Managing Director of the Federal Policy Group, a division of Clark & Wamberg LLC. The Federal Policy Group provides sophisticated strategic and technical tax advice on tax policy matters before the Congress, the U.S. Treasury Department, the Internal Revenue Service, and the OECD.

Mr. Kies has delivered significant legislative and regulatory results for his clients, which include major corporations, trade associations, and coalitions of companies with common objectives. Mr. Kies has led coalition efforts to enact legislation responding to the World Trade Organization's ruling against U.S. foreign sales corporation benefits, to avert enactment of broad "corporate tax shelter" legislation that would have an adverse impact on legitimate business transactions, and to reverse Treasury regulations targeting "hybrid" arrangements of U.S. multinational corporations, among other projects.

Prior to the acquisition of the Federal Policy Group by Clark Consulting in February 2002, Mr. Kies was Co-Managing Partner of the Washington National Tax Services office of PricewaterhouseCoopers LLP.

Prior to joining PricewaterhouseCoopers, Mr. Kies served as the Chief of Staff of the Congressional Joint Committee on Taxation from January 1995 until January 1998. The Congressional Joint Committee on Taxation staff is responsible for developing and analyzing all tax legislation for the House Ways and Means Committee, the Senate Finance Committee, and other committees of the Congress. It also is responsible for estimating the cost of enacting changes to tax laws, approving all IRS refunds in excess of \$1 million, and performing all technical analysis of tax treaties considered by the Senate Foreign Relations Committee. The position of Chief of Staff of the Joint Committee on Taxation was created by the Revenue Act of 1926. Mr. Kies was the 10th person to serve in this position.

During his tenure as Chief of Staff of the Joint Committee on Taxation, Mr. Kies oversaw development of major tax legislation, including the Taxpayer Relief Act of 1997, the Small Business Job Protection Act of 1996, and the Health Insurance Portability and Accountability Act of 1996. He also led international delegations to France, Spain, Sweden, the Czech Republic, Belgium, the European Union, and the OECD to meet with foreign tax officials and business leaders. He also held numerous bilateral discussions in Washington with a wide variety of tax officials representing other foreign countries.

Prior to becoming Chief of Staff of the Joint Committee on Taxation, Mr. Kies was the firm wide Chair of the Tax Practice for Baker & Hostetler. He had a broad-based tax practice involving legislation, tax planning, and practice before the Internal Revenue Service and the Treasury Department. He represented clients in all aspects of tax controversy work involving both large case audit representation and coordinated industry audit issues. He practiced before the United States Tax Court, the United States Bankruptcy Court for the Northern District of Ohio, the United States Bankruptcy Court for the Northern District of Texas, the Ohio Board of Tax

Appeals, and the Supreme Court of Ohio. At Baker & Hostetler, Mr. Kies served as Tax Counsel for the American Resort Development Association, Tax Counsel for the Section 457 Tax Force, Tax Counsel for the Amortization Intangibles of Task Force, Tax Counsel for the Insurance Accounting Group, Counsel to the Coalition of Independent Casualty Companies of America, and Special Tax Counsel for the Surety Association of America.

From 1982 until 1987, Mr. Kies served as Chief Republican Tax Counsel to the Ways and Means Committee of the United States House of Representatives. In that position, he directed the Ways and Means Committee's Republican tax staff and was the chief tax lawyer responsible for developing and analyzing all tax-related legislation for Republican members of the Committee and the House of Representatives. During his service on the Ways and Means Committee staff, Mr. Kies was actively involved in development of the Economic Recovery Tax Act of 1981, the Tax Equity and Fiscal Responsibility Act of 1982, the Surface Transportation Act of 1982, the Social Security Act Amendments of 1983, the Retirement Equity Act of 1984, the Tax Reform Act of 1984, and the Tax Reform Act of 1986.

Prior to joining the Ways and Means Committee staff in 1981, Mr. Kies was a tax associate with Baker & Hostetler, where he began the practice of law in 1977 in Cleveland.

As a leading expert on tax policy issues, Mr. Kies frequently appears on radio and television, including National Public Radio, MSNBC, ABC, CNN, Fox News, C Span, and is regularly quoted in print news publications such as the *Wall Street Journal*, the *Washington Post*, the *New York Times*, *Newsweek*, *Time*, and others. He has delivered over 1,000 speeches, on a wide range of tax subjects, to groups in 40 states, Puerto Rico, Canada, Austria, the Czech Republic, Sweden, Spain, France, Scotland, England, Ireland, Portugal, Bermuda, Italy, Germany and Barbados since 1981.

In 2001, Mr. Kies was one of three recipients of the Medal of Merit from Ohio University, the second highest alumni award given by Ohio University. *Influence* magazine in December 2000 named Mr. Kies "Washington's best tax lobbyist." *Regardies* magazine in September 2000 included Mr. Kies in list of the "100 most powerful people" in private sector Washington. Mr. Kies received the Distinguished Alumni Award of Delta Tau Delta fraternity in August 1999. In 1998, the Tax Executives Institute honored Mr. Kies with its Distinguished Service Award, given to "individuals whose contributions to tax administration and the improvement of the tax system are substantial and not subject to question." In 1997, he was named by *Roll Call* magazine as one of the most powerful staffers on Capitol Hill and by *Fortune* magazine as one of the three "most dangerous" bureaucrats in the country. Mr. Kies is featured in the 2002 edition of *Who's Who Legal – The International Who's Who of Business Lawyers*. The June 2007 *Washingtonian* in naming Mr. Kies as one of Washington's top 50 lobbyists described him as "the leading pure tax lobbyist in Washington." Mr. Kies was appointed to the Foundation Board of Delta Tau Delta fraternity in March of 2002 and the Foundation Board of Ohio University in July of 2002.

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In December 1998, Mr. Kies was one of four private sector participants to co-moderate President Clinton's White House Conference on Social Security. Mr. Kies was a member of the faculty of the Committee on Ways and Means 1993 Austin Retreat on Tax Policy under Chairman Dan Rostenkowski and was Co-Chair with Michael Boskin of the 1996 Committee on Ways and Means Retreat on Tax Reform under Chairman Bill Archer at Airlie House, Virginia.

Mr. Kies has served as the Chairman of the Annual Hartford Real Estate Tax Institute and as a member of the Advisory Group on Corporate Taxation appointed by the Chairman of the House Ways and Means Committee, the Board of Visitors of the Capital University Law and Graduate Center, the Program Committee of the Tax Foundation, the Board of Directors of the Tax Council, the Advisory Board of the New York University Institute on Federal Taxation, the National Alumni Advisory Council of the Ohio State University Law School, the International Fiscal Association, the Advisory Council of the Hartford Insurance Tax Institute, the Tax Committee of the National Association of Manufacturers, and the Tax Committee of the National Foreign Trade Council. He was elected a Fellow in the American College of Tax Counsel in 1996. He also currently serves as a member of the Foundation Board of Ohio University and the Foundation Board of Delta Tau Delta Fraternity. He is a member of the Tax Section of the American Bar Association, the Tax Council, and International Fiscal Association.

Mr. Kies is married to Kathleen Clark Kies and has two daughters, Katherine and Kylie. They reside in McLean, Virginia. He is a golfer and runner, having completed eight marathons, including the Boston Marathon.

Publications

Mr. Kies has published "Analysis of the New Rules Governing the Taxation of Fringe Benefits," *Tax Notes*, September 3, 1984, p. 981 (a similar version of which also appeared in *Tax News*, p. 1, Vol. 6, No. 4, Fall 1984); "Changes in the Treatment of Voluntary Employee Beneficiary Association Under the Tax Reform Act of 1984 – Tax Policy Considerations Leading to the 1984 Act Provisions," *PLI Funded Welfare Benefit Plans* (1985); "Improved REITs as Sole Vehicle for Passive Real Estate 1986," *Tax Notes*, June 2, 1986, p. 923, Vol. 31, No. 9; "The Current Political, Budgetary, and Tax Policy Environment Suggests the Possibility of Major Federal Tax Legislation in the 100th Congress," *Tax Notes*, April 13, 1987, p. 179, Vol. 35, No. 2; "The Tax Reform Act of 1986 Provisions Affecting Welfare and Fringe Benefits," *The New York University Annual Conference on Employee Benefits and Executive Compensation* (1987); "The Direction of Federal Tax and Budget Policy – Its Implications for the REIT Industry and Passive Real Estate Investment," *The REIT Report*, Vol. VII, No. 2 (Spring 1989); "A Technical Explanation of Section 847 – Guidance for the Taxpayer Engaged in Property and Casualty Insurance Business," *The Insurance Tax Review*, (November-December 1989) at 115; "The Outlook for Federal Tax and Budget Policy in the 1990s," *Tax Notes*, January 22, 1990, p. 447, Vol. 46, No. 4; "Tax Implications of Treating Workers as Independent Contractors," *Developments*, June 1990, Vol. 12, No. 5; "One Small Step Toward Simplicity; Treaty Based Return Positions and the Insurance Excise Tax," *Tax Notes*, June 25, 1990, Vol. 47, No. 13; "ARDA's Tax Victories," *Developments*, April 1991, Vol. 13, No. 5, at p. 12; "Should Goodwill

be Amortizable? – An Intoxicating Question!,” *Tax Notes*, September 30, 1991, p. 1649, Vol. 52, No. 14; “Proposed IRS Interest Regulations: ARDA Urges Changes to Proposed IRS Regulations: on Capitalizing Interest Expense for Tax Purposes,” co-authored with William F. Conroy, Esq., *Developments*, January 1992, Vol. 14, No. 1, at p. 30, “Update on Treatment of Workers as Independent Contractors,” *Developments*, April/May 1992, Vol. 14, No. 4, at p. 30; “Taking A Fresh Look at the Stock-for Debt Exception,” *Tax Notes*, September 21, 1992, p. 1619, Vol. 56, No. 12; “U.S. Federal Tax Policy Changes Could Impact The Vacation Ownership Industry,” *Vacation Industry Review*, Spring 1993, p. 50; “Repeal the Stock-for-Debt Exception,” *American Bankruptcy Institute Journal*, Vol. XII, No. 6, p. 18; “Recent Developments Affecting Timeshare Homeowners Associations,” co-authored with David L. Marshall, Esq., *Developments*, August 1993, Vol. 15, No. 7, p. 17; “The IRS Deal: Should You Take It?” *Independent Agent*, Vol. 91, No. 8, p. 53; “ARDA Action: ARDA Responds to I.R.S. Audits of Homeowners Associations,” *Developments*, March 1994, Vol. 16, No. 3; “The Ever-Changing World of Regulation,” *Developments*, March 1994, Vol. 16, No. 3; “The Revenue Estimating Process - Letting in the Light and Letting Out the Hot Air,” Vol. 69 *Tax Notes* 373 (October 16, 1995); “Recent Developments Affecting Financial Reporting for the Timeshare Industry,” Vol. 21 *ARDA Developments* (February 1999); “A Critical Look at the Administration’s Corporate Tax Shelter Proposals,” Vol. 83 *Tax Notes* 1463 (June 7, 1999); “The United States Responds to the WTS FSC Decision: Round One and Counting,” *The Tax Executive*, November/December 2000, pp. 436-443; “Congressional Inaction Threatens U.S. Companies: U.S. Financial Services Companies Face Legislative Obstacle,” *The Ripon Forum*, Vol. 36 Number 1, 9 (Spring 2001); “The New Kid on the Hill,” *Asset Finance International*, p. 21, May 2001; “‘AMT Proofing’ the Stimulus Bill’s Loss Carryback Provision,” *Tax Notes*, September 2, 2002, Vol. 96, No. 10; “The Next 30 Years: A Tax Notes Preview,” *Tax Notes*, 1972-2002; “Treasury’s Responsibility to Fix the Interest Allocation Rules,” *Tax Notes*, March 31, 2003, Vol. 98, No. 14; “International Rescue,” *Asset Finance International*, p. 31, June 2003; “Leave Us a Loan: A Rebuttal to Claims That Defeasance Invalidates Lease Transactions,” *Tax Notes*, Vol. 102, No. 6, February 9, 2004; “Our Taxed Expats,” *Wall Street Journal*, p. A-14 (Commentary with Newt Gingrich), June 28, 2006; “A Perfect Experiment: ‘Deferral’ and the U.S. Shipping Industry,” *Tax Notes*, Vol. 116, No. 11, September 10, 2007; “The Obama Budget, 2019, and the Impending Fiscal Nuclear Winter,” *Tax Notes*, Vol.123, No. 5. May 4, 2009.

Mr. Kies holds an L.L.M., Taxation from Georgetown University Law School, 1986, a JD, Cum Laude from the Ohio State University College of Law, 1977, and a B.G.S. (The Honors Tutorial College), Cum Laude, from Ohio University, 1974.

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