Interview of Professor Samuel A. Donaldson

Professor Sam Donaldson is an Associate Professor with Tenure and Director of the Graduate Program in Taxation at the University of Washington School of Law. He is also Of Counsel with the Perkins Coie law firm in Seattle. Prof. Donaldson returns to the Symposium for a third time on April 30. His topic is *Covering Your Client's S (Corporation) – What Estate Planners Should Know About S Corporations, with a Focus on Planning Techniques that Work Especially Well with S Corporations*. Prof. Donaldson was the top ranked speaker at both the 2007 and 2009 Symposiums.

HJP: When did you first become interested in tax planning?

It wasn't until my last semester of law school at the University of Arizona. Because of heavy loads in earlier semesters, I needed only 5 credits to graduate that spring. Lazy third-year law student (redundant?) that I was, I wanted to take one course instead of two so I would only have to study for one exam. The only 5-credit course that semester was Federal Income Tax. I know, not the purest of beginnings.

Around the third week of the semester, I realized that I really liked taxation. It was the one course that seemed to have answers. And while it was (and is) extremely complex, I started to see some strands of logic that made many of the rules predictable. Reading and applying dense statutes and regulations was like working a puzzle, which I really enjoy. It wasn't love at first sight, and we still fight a lot sometimes, but it was the start of something transforming.

HJP: Trace the route from Law School to your teaching career.

So sometime in the middle of the semester, I went to visit my tax professor, Art Andrews, about what a career in tax law would look like. I knew I liked the work we did in class but I didn't quite grasp what it meant to be a tax lawyer. Early in the conversation, Professor Andrews told me that serious students usually go on to earn an LL.M. in Taxation. That was a turn-off; as if three years in law school wasn't enough. But then he also told me that having an LL.M. was a good credential for becoming a law professor. Now I was listening. I went to law school with the far-fetched dream of becoming a law professor, but since I didn't go to an Ivy League law school and wouldn't clerk for a Supreme Court Justice, the odds of realizing this dream were very remote. If getting an LL.M. would be helpful in becoming a law professor, I was game.

That August, I was off to the University of Florida to earn my LL.M. I chose Florida for any number of the standard reasons people still choose it: an excellent reputation, good teaching faculty, and cheaper tuition at a state school. At the orientation event held just before the start of classes, the Director of the Graduate Tax Program introduced that year's Visiting Assistant Professor, a recent grad who hoped to parlay the one-year visiting appointment into a tenure-track appointment at another law school. When I first learned that this position was available, I decided to work as hard as I could to obtain it for the next year. I worked hard and was fortunate to study with some very gifted colleagues. It paid off, as I was selected as the next Visiting Assistant Professor. My year on the Florida faculty was (and remains) one of the most enjoyable experiences of my life. It exceeded my expectations in every way and solidified my interest in law teaching.

It was supposed to be a gateway into a tenure-track position, but the teaching market was tough that year, and besides, I lacked any practice experience. I had interviews with a few schools but nothing panned out. So I came back to the Pacific Northwest (I was born and raised in Oregon), taking a job with a boutique tax firm in Bellevue, Washington. I was the sixth lawyer and the second associate. I spent four years at the firm and had the chance to work on a lot of interesting transactions and estates. During that time I also taught corporate tax and estate and gift tax as a part-time lecturer for the University of Washington's new Graduate Program in Taxation. When a full-time position at the law school opened up in 1999, I applied and got it. I won't say how I got it, except that it takes a lot of work to dig up incriminating photos of all of the other applicants. Aspiring tax professors tend not to have scandalous pasts.

That was eleven years ago. Now I'm a tenured Professor, and this summer I will begin service as the law school's Associate Dean. I am also Of Counsel with a terrific Seattle-based law firm, Perkins Coie. Their estate planning lawyers are really top-notch and terrific people to boot. It was a longshot, but I'm very fortunate to realize that my professional dream came true. And it's even better than I hoped.

HJP: When was it that you decided that tax planning (teaching) was what you wanted to do with your career?

I wanted to be a teacher from the time I was in kindergarten. Seriously. I would come home from school and line up my stuffed animals and G.I. Joe action figure and then teach them what I had learned that day. It's somewhat genetic - I come from a small line of teachers - my mother taught nursing in Pocatello, Idaho, and my sister was a high school social studies teacher for 30 years in Kelso, Washington. So I always wanted to be a teacher in some capacity. In high school I taught typing courses for the local community education program. (Now that I look back on that I wonder why they would have a high school teacher teaching adults.) In law school, I taught political science courses at a nearby community college. So I've always jumped at the opportunities to teach in any setting where it became available.

HJP: Who was the most important influence on your career and why?

My parents and my siblings. None of them ever doubted me, and all of them told me regularly that I could do anything I wanted. I almost believe them, but I never doubted their love and support.

HJP: How do you stay current on the tax law (what journals or other services do you read)?

The tax law changes? Really? I always skim through the RIA Newsstand email sent every weekday and highlight the items I want to read in more detail. I have an extra incentive to stay current because I give a half dozen or so "current developments" talk at various conferences. I enjoy giving update presentations because there's usually something of interest for everyone and I don't have to give the same presentation every time.

HJP: In this region, we have seen a huge drop-off in the number of young attorneys pursuing an estate planning career. What are things like in Washington?

Because of our LL.M. program, we're fortunate to have a lot of relatively young estate planners in the region. But we have noticed that it's hard to get the younger lawyers to attend live seminars. Today's younger lawyers are content with (and may even prefer) obtaining their continuing education credits through web-based programs. I know one young lawyer that downloads programs onto her iPod and then listens to them at the gym.

HJP: If you were giving advice to graduating law students contemplating a career in tax planning, what would you tell them?

Get an LL.M.! And I'm not just saying that because I teach at a law school with a graduate tax program. I can't tell you how many times I found myself in practice being so thankful for having spent my year at Florida in the concentrated study of taxation. A good LL.M. program will give you confidence in reading and applying very complex statutes and regulations. You can't become an expert overnight, but you can become equipped to tackle a complex tax problem. Good tax programs don't emphasize the current law, because that will change. Instead, they teach you the process for reading legislation and regulations carefully and with a creative eye. That's a valuable skill, and it explains why the LL.M. degree is highly-valued by employers in the know.

HJP: If the graduating law student had the choice and the firms were roughly equal in "quality," would you advise him/her to start out at a small or large firm and why?

That question can only get me in trouble. In truth, I don't think there is an ideal path. There are good tax lawyers in small and large firms, and there are bad tax lawyers in small and big firms. When a student has a choice of offers, I always encourage her or him to think about the people at the different firms. Who will make the best mentors and colleagues? After all, the student will spend more hours per day with co-workers than with friends and loved ones. We pay a lot of attention to compatibility when it comes to friends and lovers, so it stands to reason that we should pay just as much attention to compatibility when choosing where to work.

HJP: If you could start your career over, what would you do differently?

Nothing. I feel the stars have aligned perfectly for me. I have many regrets, of course, but I hope that those were learning experiences. I'd hate to think that by changing those few events my life might somehow have unfolded differently, because it's pretty good right now.

HJP: How does the Kansas City Estate Planning Symposium compare with other places that you have spoken?

No other symposium treats its speakers better. The hospitality goes so far beyond all others that it's unfair to make comparisons. The planning committee does a nice job of building a coherent program of value to professionals at all levels of practice. And the attendees are friendly, gracious and attentive. I am honored to speak at the Symposium for a third time. Hopefully this time I'll get it right!