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Helping LGBT Clients Achieve Their Financial Goals

by
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As a follow up to his piece on the shifting tax landscape for the modern family, Michael Pytka of Marcum LLP explains just how and why his firm became the first national accounting practice to establish services dedicated to helping LGBTQIA+ individuals.

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Marcum LLP's Modern Family & LGBT Services group has been proud to serve the LGBTQ+ community for nearly a decade. In 2012, Marcum became the first national accounting firm to establish a tax and estate planning practice dedicated to the complex rules faced by LGBTQ+ individuals and families, and others who are part of today's "modern family."

What started as an idea over cocktails has evolved into a thriving practice within our firm. In 2011, Janis Cowhey (tax partner, New York City) and Nanette Lee Miller (now-retired assurance partner, San Francisco) discovered they were both working with clients in the LGBTQ+ community, assisting with their nuanced tax, financial and legal needs, but on opposite coasts. Janis and Nanette agreed that since there were obvious needs for LGBTQ+ individuals who were navigating a rapidly shifting and constantly evolving social, tax and legal landscape, they needed to formalize these services at a national level in a dedicated practice group. A strategic plan was developed, and during Pride Month (June) 2012, Marcum introduced the country's first accounting and advisory practice serving the LGBT community exclusively.

Shortly thereafter, in September 2012, the U.S. Supreme Court agreed to hear *United States v. Windsor*, the definitive test case regarding same-sex marriage. Then ensued a media rush for our practice leaders, with numerous interviews in print, broadcast, and online. Our practice group had a permanent place at the top of Google search results for "LGBT" and "tax." On our Firm website, we issued LGBT tax practice tips, featured a "tool box," and provided a growing body of thought leadership on LGBT tax and estate planning topics.

With the genesis of Marcum's LGBT Services group, I very much wanted to be a part of its development and growth. I was fortunate enough to transfer from our firm's Boston office to our New York City office in January 2013, to join Janis' team and focus on helping to build the practice. Soon thereafter, in June 2013 (Pride Month again!), the landmark *United States v. Windsor* decision overturned the Defense of Marriage Act, establishing the recognition of same-sex marriage at a federal level--though not at the state level. The decision propelled our practice group forward. Since same-sex marriage was still not legal in all 50 states-- thus effectuating 50 different sets of facts and circumstances and laws--there remained many challenges and complexities surrounding individual income tax planning, retirement planning, estate planning, and more.

Marcum collaborated with CNN to map out the status of same-sex marriage in each of the 50 states, synopsizing each state's current position and the tax implications thereof (e.g., if married, could you amend your tax return retroactively for a refund claim within the statute of limitations?). We designed the map to help people stay current on where each state stood and to assist LGBTQ+ couples contemplating marriage to anticipate the tax implications, not only in their current home state, but states where they worked, owned property, and perhaps where they might consider relocating in the future. As same-sex marriage was passing into law state-by-state, I was updating our map constantly. Through this project, and as our group expanded our work with clients, we were able to stay ahead of the curve and share our knowledge base with other LGBTQ+ individuals, to help keep them aware of new developments and advancements for the community.

As we all know, the landmark 2015 *Obergefell v. Hodges* Supreme Court case decision effectively legalized same-sex marriage nationwide. This decision resulted in several new tax, financial and legal planning opportunities for our LGBTQ+ clients. Around the same time, we also noticed an emerging trend in American households;

the majority of American families no longer consisted of a mother, a father, and two-and-a -half kids. American households were becoming more complex. Unmarried, cohabitating couples; families with stepchildren; children born through artificial reproductive means; and second and third marriages were becoming more prevalent. There were obvious shifting demographics and circumstances, which prompted us not only to accommodate new needs in the LGBTQ+ community, but also the needs of individuals who were part of a new “modern family.” In the same spirit of inclusion and entrepreneurism that engendered our LGBT Services Group in 2012, we became the Marcum Modern Family & LGBT Services Group in 2015.

In the past almost-decade, our practice has grown from an idea to full-scale service line. As a group, we have accomplished so much in such a short amount of time, from teaching and speaking engagements, to networking (Martinis with Marcum’s Modern Family Group), to being a resource for the national media, and more. We have established Marcum as an expert within the LGBTQ+ and modern family space, providing targeted tax, financial and legal services customized to these very specific and unique circumstances. We are able to provide extensive niche services to LGBTQ+ individuals and have become a mainstay of the community. Above all, we are tremendously proud and grateful to serve members of the LGBTQ+ community and to help our clients achieve their goals.