

# QSBS Tax Planning Team

National Leaders in Entrepreneur  
Focused Tax Strategy and Structuring

[Tax Law Defined® Blog](#)



**Scott W. Dolson**

Partner | Louisville, KY  
502.568.0203  
[sdolson@fbtgibbons.com](mailto:sdolson@fbtgibbons.com)



**Brian S. Masterson**

Partner | Nashville, TN  
615.251.5588  
[bmasterson@fbtgibbons.com](mailto:bmasterson@fbtgibbons.com)

## About FBT Gibbons' Tax Planning Practice

FBT Gibbons is a national, full-service law firm with approximately 800 attorneys across 13 states, including California, Colorado, Delaware, Florida, Indiana, Kentucky, New York, New Jersey, Ohio, Pennsylvania, Tennessee, Texas and West Virginia as well as Washington, D.C.

The Tax Planning Group works alongside the firm's Corporate, M&A, and Wealth Planning teams to deliver integrated, value-driven tax solutions for founders, investors, and sponsors.

FBT Gibbons is widely recognized as one of the nation's leading Qualified Small Business Stock (QSBS) tax practices. Led by Scott W. Dolson, the team advises start-ups, management teams, family offices, and private equity funds on every aspect of Sections 1202 and 1045 planning – from entity formation to exit.

## Section 1202 – Qualified Small Business Stock (QSBS)

Section 1202 permits eligible taxpayers to exclude at least \$10 million (\$15 million for QSBS issues after July 4, 2025) – or potentially more under the 10x basis rule – from federal income tax upon the sale of QSBS.

Our QSBS team provides comprehensive counsel on:

- Choice-of-entity modeling for LLC, partnerships, and S corporation owners evaluating conversion to C corporations.
- Eligibility analysis and stockholder qualification reviews.
- Pass-through entity to C corporation conversions.
- Integration of QSBS planning with equity compensation and M&A strategy.
- Preparation of formal tax opinions and substantiation memoranda.

## Section 1045 – Tax-Deferred Reinvestment in Replacement QSBS

Section 1045 enables qualified taxpayers to reinvest QSBS sale proceeds on a tax-deferred basis into replacement QSBS within a 60-day window.

We assist with:

- Planning and implementing replacement QSBS investments.
- Coordinating timing and compliance across §§ 1202 and 1045.
- Preparing supporting documentation for reporting and substantiation.

## Comprehensive QSBS Advisory Services

We advise clients on every aspect of QSBS planning:

- Entity Selection and Conversion Planning – Modeling pass-through-to-C corporation conversions and timing analyses.
- Capitalization and Equity Design – Structuring stock issuances and equity rights to qualify under § 1202.
- Transaction Advisory – Guiding M&A, rollovers, and exits to maximize after-tax outcomes.
- Audit-Ready Documentation and Opinions – Providing formal validation and compliance support.
- Section 1045 Rollovers – Planning and execution of deferral transactions.

## QSBS Substantiation and Audit Readiness

Our team emphasizes that successful IRS defense begins with proactive substantiation. QSBS positions must be documented – not just asserted.

We help clients:

- Maintain evidence of qualified stock issuance, C corporation status, and asset levels.
- Track basis and holding periods, and verify the active-business asset use test.
- Build organized “audit files” with supporting records and legal opinions before any inquiry arises.

This deliberate documentation approach delivers confidence and audit-resistant results for founders and investors.

## Trust and Estate Integration

Our QSBS tax planning group works closely with estate planning attorneys to integrate QSBS ownership and succession planning. Using Delaware non-grantor trusts and other vehicles, we help clients:

- Replicate QSBS exclusions across family trusts.
- Reduce state and local tax exposure.
- Preserve and transfer business value efficiently to the next generation.

## Exit Planning for QSBS Issuers and Stockholders

We assist QSBS issuers and stockholders in structuring secondary sales and M&A transactions that protect QSBS eligibility and maximize after-tax value. Our focus is simple: translate technical advantages into real, measurable economic results. Our focus is simple: translate technical advantages into real, measurable economic results.

## FBT Gibbons' Tax Planning Team

The Tax Planning Group serves as a destination practice for sophisticated QSBS and transactional tax matters. Primary QSBS contacts include:



**[Scott Dolson](#)** – Tax Planning Team leader and member of the firm's private equity practice group. Practice areas include tax planning, M&A, and outside general counsel work.



**[Brian Masterson](#)** – Practice areas include federal, state and local tax planning and mergers and acquisitions.



**[Andrew Botts](#)** – Advises on joint ventures, mergers, acquisitions, buyouts, restructurings, private equity, investment fund formation, and venture capital, with emphasis on the tax and structuring aspects.



**[Megan Dollenmeyer](#)** – Practice areas tax planning, fund formation, venture transactions, and tax incentives.



**[Megan Vandermeer](#)** – Practice areas include tax and benefits planning for business formation and reorganizations.

**About FBT Gibbons:** FBT Gibbons is a national law firm of approximately 800 attorneys across a 13-state footprint. Our [tax practice](#) works closely with businesses, founders and investors (spanning individuals, family offices and PE firms) to assist them in their efforts to qualify for Section 1202's generous tax benefits. Check out our [blog](#) on all things tax.