FOLEY

FOLEY & LARDNER LLP

Michael G. Bailey

Partner/Retired

Michael Bailey is a partner and business lawyer with Foley & Lardner LLP. Mr. Bailey's practice focuses on tax-advantaged finance. He also focuses on exempt organization tax issues and other federal and state income tax matters. His tax compliance and controversy practice focuses on tax-advantaged financing transactions and exempt organization matters. Michael is chair of the firm's Health Care Finance Practice and a member of the firm's Taxation, Finance & Financial Institutions, and Public Finance Practices. He is also a member of the firm's Health Care Industry Team.

Michael has more than 35 years' experience as a tax and transactional public finance attorney, both in the private sector and the IRS.

Michael joined the firm from the Internal Revenue Service, where he served as Counsel to the Assistant Chief Counsel for Financial Institutions and Products. At the IRS he played a key role in numerous projects involving taxation of financial products. He was one of the principal authors of the major federal income tax regulations concerning tax-exempt bonds, including the arbitrage regulations and the private activity bond regulations, and reviewed or authored most other administrative guidance issued by the IRS on tax-exempt bonds from 1990 through 1997, including published rulings, private letter rulings, and technical advice memoranda. He also played a key role in developing the IRS compliance program for tax-exempt bonds.

Representative Experience

- Lead tax counsel to nonprofit healthcare systems in several tax-exempt financings of more the $500 million related to system formation, acquisitions and mergers
- Drafted new Master Trust Indenture for a nonprofit hospital health system consisting of section 501(c)(3) organization-obligated group members and non-exempt corporation credit group members
- Lead tax counsel providing primary bond counsel services to a major state for two decades
- Lead tax counsel providing bond counsel services to several major airports, including governmental and AMT bonds

- Obtained a prospective IRS closing agreement to facilitate innovative tax-exempt financing of prepayments of a long-term lease relating to the acquisition of control of a local government hospital by a nonprofit hospital system
- Represented tax-exempt issuers and borrowers in obtaining more than 20 voluntary closing agreements relating to complex arbitrage, use of proceeds and other matters
- Represented tax-exempt issuers and borrowers in IRS examinations of governmental bonds and qualified 501(c)(3) bonds involving complex financial products, including escrow puts and total return swaps
- Represented tax-exempt issuers and borrowers in examinations of bonds relating to use of bond proceeds

Awards and Recognition

In 2011, the *Legal 500* recognized Michael for his work in domestic tax. He has also been recognized for his work in public finance law by *Best Lawyers in America*© since 2013.*

** The Illinois Supreme Court does not recognize certifications of specialties in the practice of law and no certificate, award or recognition is a requirement to practice law in Illinois.*

Affiliations

Michael is a member of the National Association of Bond Lawyers, the American College of Bond Counsel, and the American Bar Association.

Thought Leadership

Michael is a frequent author and speaker on matters relating to public finance and healthcare finance.

- Member of the Board of Directors of the National Association of Bond Lawyers.
- Past chair of the Internal Revenue Service Advisory Committee on Tax Exempt and Government Entities. As a member of this Advisory Committee Mr. Bailey was the primary author of landmark reports on the role of conduit issuers, post-issuance compliance and voluntary resolution programs
- Author of the quarterly tax column of *The Bond Lawyer*, published by the National Association of Bond Lawyers
- Current chair of the panel of the National Association of Bond Lawyers Bond Attorneys Workshop focused on IRS enforcement and compliance activities
- Past chair and presenter on numerous other panels for the National Association of Bond Lawyers, the American Bar Association and other associations on tax-compliance, tax issues in municipal bond restructurings, arbitrage and other tax-exempt bond matters
- Primary author of 2015 public comments of the National Association of Bond Lawyers requesting more flexible rules for management contracts involving tax-exempt bond financed property, which contributed to the development of IRS Rev. Proc. 2017-13
- Past chair of the Tax-Exempt Financing Committee of the American Bar Association

- Author and presenter of numerous articles and on tax-exempt bond matters, including tax compliance, direct purchases of tax-exempt bonds, and the relationship of tax-exempt financing rules to special tax rules applicable to nonprofit hospitals

Education

- University of Chicago Law School (J.D., 1981)
- Stanford University (with high honors, 1977)