

## Qualified Small Business Stock:

### *The Quest for Quantum Exclusions (Queries, Qualms, Qualifications & QOZ)*

**Paul S. Lee, J.D., LL.M.**  
Chief Tax Strategist  
The Northern Trust Company  
New York, NY  
[PSL6@ntrs.com](mailto:PSL6@ntrs.com)

northerntrust.com | © Northern Trust 2023

0

0



## Qualified Small Business Stock: Good, Bad, Ugly?

### QUINTESSENTIALLY COMPELLING

- ✓ 100% Capital Gain Exclusion
- ✓ Rollover Taxable Gains
- ✓ Multiply (Stack & Pack) Exclusion

### QUASHING QUALIFICATIONS

- ❖ C Corporation
- ❖ 5-Year Holding Period
- ❖ Applies to Stock Sale (Not Assets)

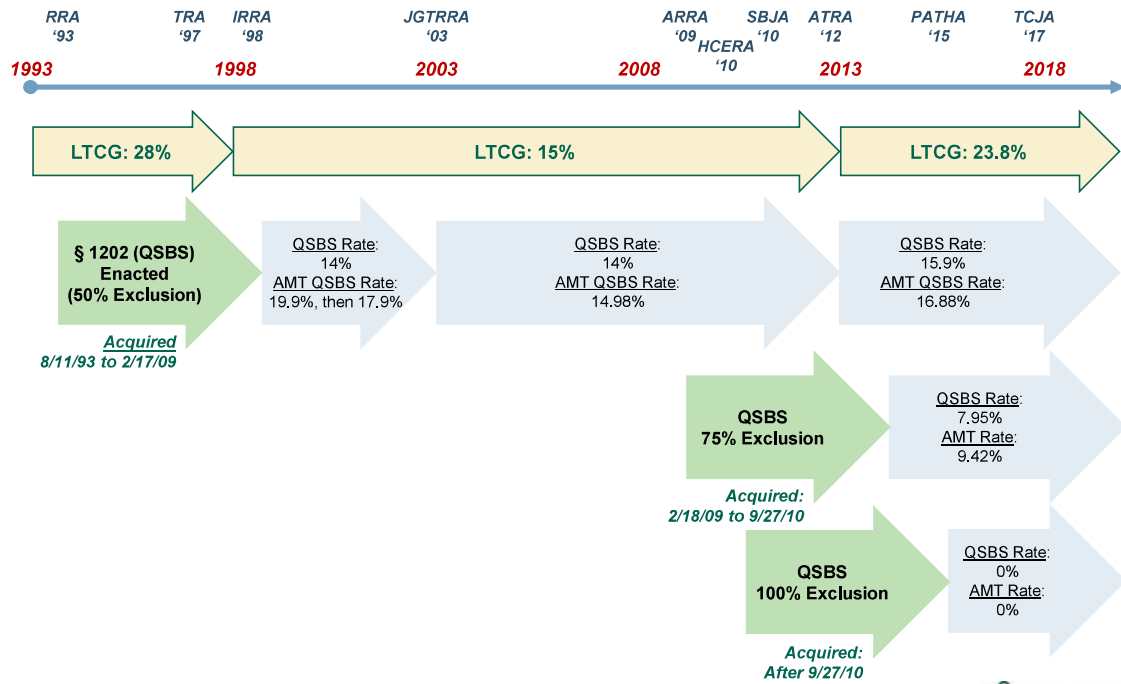
### QUARRELSOME QUAGMIRE

- Quixotic Definitions
- Quirky Qualifications
- Quibbling IRS Guidance

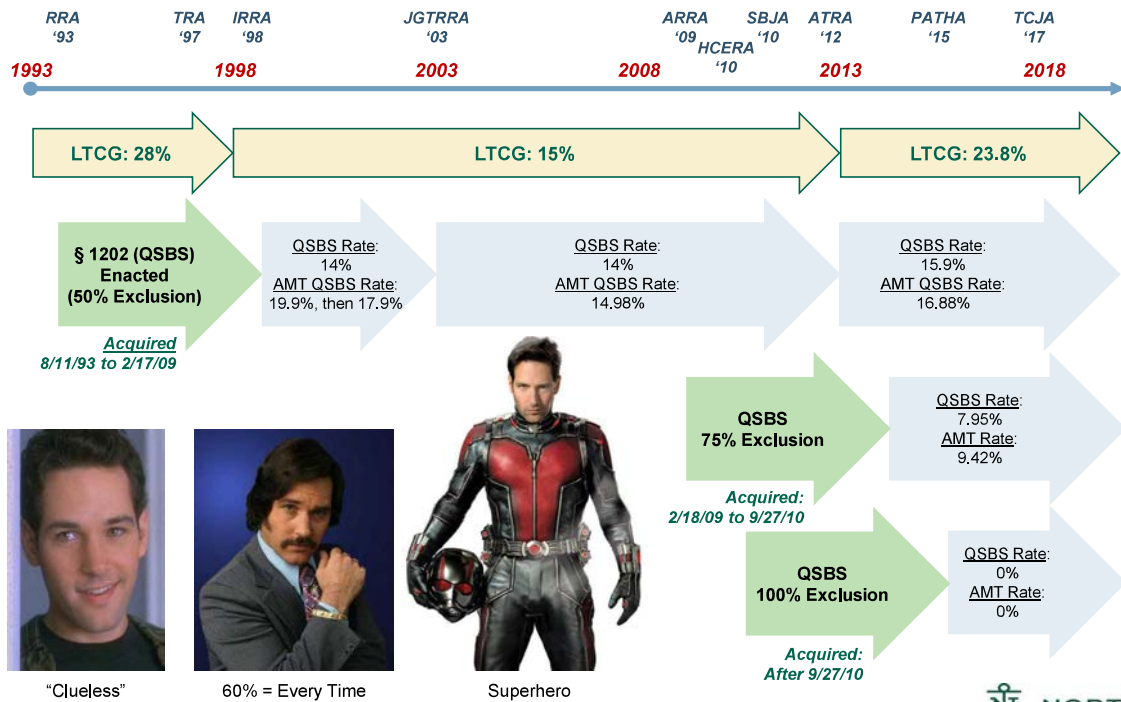
1



## QSBS: 25 Years to Mature

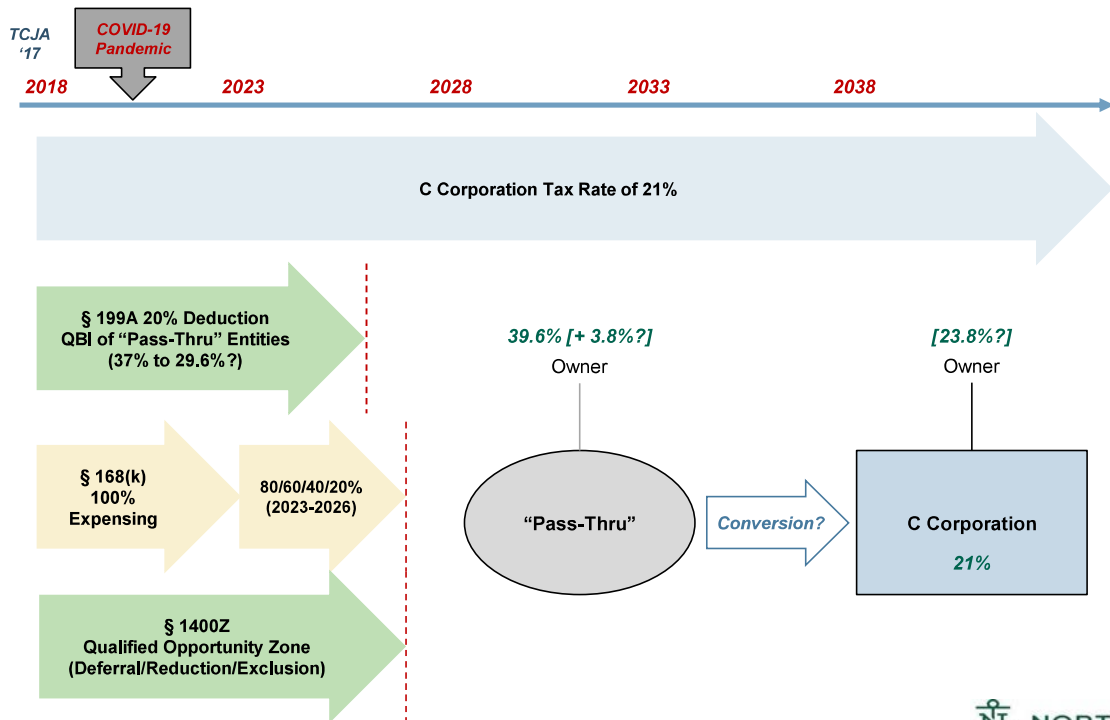


## QSBS: 25 Years to Mature





## QSBS: 25 Years to Mature (TCJA Creates Path to QSBS)



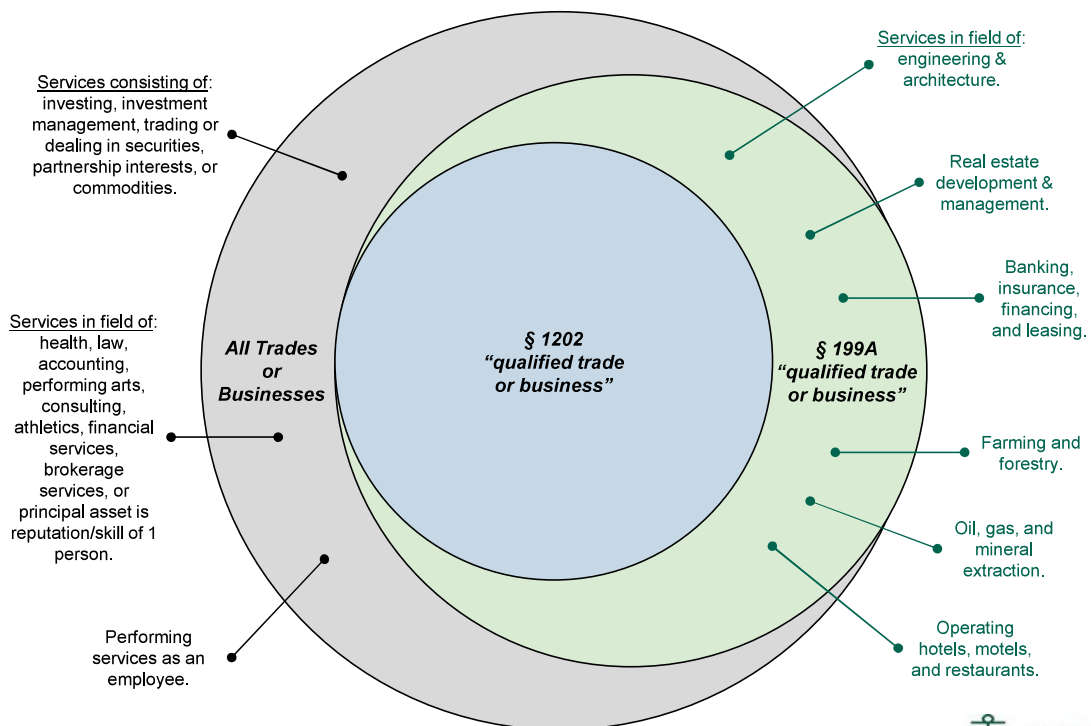
NORTHERN TRUST

4

4



## "Qualified Trade or Business" Overlap



NORTHERN TRUST

5

5

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](https://utcle.org/elibrary)

Title search: QSBS: Quest for Quantum Exclusions (Queries, Qualms, Qualifications & QOZ)

Also available as part of the eCourse

[2023 Taxation eConference: Day 1 - Focus on Business Planning](#)

First appeared as part of the conference materials for the

71<sup>st</sup> Annual Taxation Conference: Day 1 - Focus on Business Planning session

"QSBS: Quest for Quantum Exclusions (Queries, Qualms, Qualifications & QOZ)"