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State Tax Spotlight  
on Valerie Dickerson  
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## ***State Tax Spotlight On Valerie C. Dickerson***

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After 44 years in state and local tax, Rick Richman has a few criteria for what it takes to reach the top of the profession. He said he saw it as soon as he met the young lawyer he began mentoring in 2001.

“You need the technical knowledge, and she’s certainly got that,” Richman said of Valerie C. Dickerson. “But it’s not enough, and indeed it’s one of the faults of some tax practitioners — they are too technical: They look at the literal language, and they stop.”

Richman and Dickerson met while working in separate California offices at Deloitte Tax LLP. Fourteen years later, he remains a consultant to the firm, after retiring first from O’Melveny & Myers LLP and then as a principal at Deloitte. As for Dickerson, she has, as Richman predicted, risen to a premier position in the firm. For the last two years, she has served as managing partner for Deloitte’s Multistate Washington National Tax practice (WNT).

Beyond technical expertise, Richman said, Dickerson also has the essential qualities of strong judgment, creativity, and the respect of the taxing authorities with whom she works. Then, he said, she takes all of that to craft successful solutions.

“The more I see it, the more I admire it,” Richman said. “You think of tax as a supertechnical cerebral subject, and it is. But those are the tools. In applying them, it’s a people thing. You need to work with clients, you need to work with colleagues, you need to work with the tax authorities, and you need to realize that if you push too far you will have jeopardized what is your main asset for your client, which is the respect of that taxing authority.”

### **Representing Clients Before the FTB**

Although Dickerson, as head of WNT, now lives in the Washington, D.C., area, she spent most of her career in



Courtesy of Valerie C. Dickerson

*Valerie C. Dickerson*

California. She began at Deloitte’s Costa Mesa office, and while she entered the Washington National Tax practice early in her tenure, she remained in California, she said in an interview for this article.

“I became the firm’s specialist to go to for California technical matters,” Dickerson said. “It was a lot of fun. I worked very closely with and apprenticed under Rick.”

Dickerson continues the job today, in conjunction with her other responsibilities, representing clients in administrative proceedings before the California tax agencies. She has done some cases involving the State Board of Equalization, but as an income tax specialist, she deals mostly with the Franchise Tax Board on cases that run the full spectrum of state tax issues — nonbusiness income, alternative apportionment, phantom income, voluntary disclosure agreements, determination of what constitutes a unitary business, and more.

“Everything,” Dickerson said simply. “All the big multi-state issues, I’ve had at one time or another, or am currently working on.”

Jozel Brunett, chief counsel in the legal division of the FTB, has known Dickerson for 10 years. Brunett said Dickerson and the FTB typically reach conclusions that both parties can live with. “She’s very good at representing her clients. But she’s also very good at being reasonable and talking things through,” Brunett said.

“I love controversy,” Dickerson said. “I really love it when a client has a problem that we can resolve through the FTB, whether that’s bringing an audit to closure, whether that is a problem with the rules . . . working that out with the state, I really love to do that.”

Moreover, Dickerson said, she truly enjoys working with the FTB. “I think the FTB settlement bureau is a good process, a pretty expeditious process for clients,” she said. “I’ve had some unique client situations in the passthrough world, dealing with individuals who didn’t realize they had a filing obligation in California, because they were nonresidents. We’ve been able to bring those clients in, preserving their rights to obtain credits in other states. The FTB is very good about recognizing well-intentioned taxpayers that come forward.”

Carley Roberts of Sutherland Asbill & Brennan LLP in Sacramento said Dickerson is “incredibly client-focused. She is there, she is arm in arm with them, focused on trying to bring about the best results, even if that means bringing in other practitioners. She’s brought me in before to pitch work — it’s all about getting the best result.”

### **Leader, Multistate Office of Washington National Tax**

Dickerson estimated that she returns to Sacramento about once a month, but that is only a small part of the travel required for her job. She said she spends 50 percent of her time on the road, most of it in her role as head of WNT. She is directly in charge of a group of 11 WNT professionals but also leads the firm’s multistate tax controversy services and its state desk, putting her in a supervisory role over another 140 technical and state controversy specialists throughout the country. Roberts and others interviewed for this article, both inside and outside Deloitte, said that Dickerson has worked hard to connect these practices and make them more visible.

Carrie Falkenhayn of Deloitte, who oversees about 900 people as the firm’s national leader for multistate tax services, said the historic role for Multistate WNT has been technical sign-off and final quality review.

“But really those folks [in WNT] see everything that’s going on in our practice, so they have a viewpoint of what’s going on in the market, what the trends are, and they should be a great resource to the practice beyond the technical sign-off,” Falkenhayn said. What Dickerson has done, she said, “is taken WNT from the technical sign-off perspective and really made it a value-add to our practice as well as to our clients.”

Michael Porter, a 17-year Deloitte professional who Dickerson recruited to WNT, said Dickerson “has taken the WNT practice and she has completely elevated it, she has reinvigorated it.”

Porter said that in addition to recruiting internally, Dickerson brought on Michael Bryan, who was well known throughout the tax community after his five years as director of the New Jersey Division of Taxation.

“She travels extensively, and a lot of the purpose for her travel is to more or less spread the gospel of WNT,” Porter

said. “She wants to get the local offices comfortable as to how we can be helpful to them and their practice. Sometimes people are a little intimidated about bringing in WNT, WNT kind of has this aura about it. And what Valerie is trying to do is make WNT more user-friendly.”

Bryan, the former New Jersey tax director, said one of Dickerson’s stated goals is to “raise the level of WNT from a multistate tax services perspective, to provide oversight and put in some consistency and quality control that we think can benefit the firm and the entire client base. There’s maybe a lot of duplicated effort out in the market, and to some degree if we’re better aware of it, we can make things work better.”

Bryan, who spent 16 years at Comcast Corp. before joining the New Jersey Division of Taxation, said her goals attracted him to the position, as did “the attitude and the nature of the team that Valerie runs. That had a lot to do with” his joining, he said.

Dickerson’s handling of the office provided an area of agreement for Joe Huddleston, executive director of the Multistate Tax Commission, and Douglas Lindholm, executive director of the Council On State Taxation.

“She has elevated the profile [of WNT] generally within the whole state tax community,” Huddleston said. “Not only is Valerie personally involved, but it seems to me she has encouraged other Deloitte people to be more involved as well.”

Lindholm said that any leader of Deloitte’s WNT office would be a pivotal person for COST, but he said Dickerson has been especially strong. “She has been terrific at reaching out to COST, to me, to the larger multistate tax community,” he said. “She has been very good at making sure the relationship between Deloitte and COST is a strong one.”

### **The National Multistate Tax Symposium**

Those interviewed also cited Dickerson for handling Deloitte’s flagship multistate event — the annual National Multistate Tax Symposium the firm sponsors in Orlando, Florida, each February in conjunction with the Florida Bar. Dickerson co-chairs the event with William Townsend of Dean Mead in Tallahassee, Florida.

Townsend, a state tax attorney since 1977, said he and Dickerson speak frequently throughout the year to plan the conference before presenting ideas to its advisory board. The board, which includes Lindholm and other top names in state taxation, is composed of representatives from Deloitte, law firms, and industry — the same format the conference follows when presenting panels.

“We’re different than any of the other conferences, and she has continued that process,” Townsend said of Dickerson. “It’s not all talking heads. There are themes involved, and each of the sections has a lawyer, a CPA and a person from industry.”

Dickerson “is very bright, smart, well organized, and a lot of help in putting these things together,” Townsend said. “I don’t know anybody who doesn’t get along with her.”

In 2015 the conference theme was “Navigating State Taxation in a Global Business Environment.”

“I am seeing more state agency attention being paid to international issues in a way that probably hasn’t been there since California’s move to water’s edge back in the ’80s,” Dickerson said. “I think that we’re seeing on the international schemes concern about some of the issues that states have had concerns about in the past. If you look, for instance at the OECD’s notion of [base erosion and profit shifting], that’s not unlike what the states all tried to resolve with addback statutes, with combination, with various tools that they have.”

Both Dickerson and Townsend said, though, that the conference strives to be industry focused and practical rather than purely theoretical. They said the presence on each panel of an in-house tax professional is a key to helping the audience understand the specific ways state tax issues affect business.

But the conference is also designed to be educational, they said, and Dickerson added that “our goal is to have a client be able to walk out and have items for action, items for action that they learned at the conference.”

Huddleston, who is a frequent attendee and speaker along with several other government officials, said he thinks the conference “has risen to be one of the best, if not the best, of its type in the country.”

“I feel comfortable comparing it to the Vanderbilts and NYUs and the Georgetowns,” Huddleston said, speaking of the Paul J. Hartman State and Local Tax Forum at Vanderbilt University, the Institute on State and Local Taxation at New York University, and the Advanced State and Local Tax Institute at Georgetown Law.

But, Huddleston said, “it is different than that, because it’s private sector. Its willingness to pull both government and consulting types is kind of unique. Not that others don’t, but the Deloitte specific focus on having consultants, business and government on the table, every single time, is especially attractive to both government and industry.”

### **California Time, Virginia Time**

In addition to co-chairing the Deloitte symposium, Dickerson remains active in California state taxation forums. She sits on the executive committee of the taxation section of the State Bar of California and is a former chair of its state and local tax committee. She is a co-chair of the California Tax Policy Conference, a committee member for a California meeting of tax authorities and practitioners known as Eagle Lodge West, and a committee member of the Sacramento delegation of the state bar’s taxation section.

Brunett said she recently spoke at an executive committee meeting of the state bar and credits Dickerson with helping to make it happen. “I think she was helpful in getting me there . . . getting me a higher role in being able to address them. She’s been supportive of my participation in being more involved than our agency has probably been in the past.”

Because all of this keeps her socially as well as professionally busy, Dickerson said that when she is at home in northern Virginia her sole focus is on her husband and their two young children. The family enjoys swimming and hiking the trails near their home.

“There was a time when I would have told you that I rode motorcycles,” Dickerson said. “That I dabbled in politics. That I ran a couple marathons and half-marathons. But all those things happened before children.” ☆