



FINANCIAL PROFESSIONALS VS. FINANCE LAWYERS

By Lauren Suarez and Allison D.H. Soares

When would-be attorneys enter law school, they do not always know exactly which area of the law will be the best fit for them professionally and personally. Sometimes, individuals fall into one area of practice merely by chance and stay there for years. As they become comfortable with the legal work, they start to realize they don't want to do that type of work forever. Many attorneys who specialize in tax end up in the technical world of finance with no prior experience or education related to accounting, tax, or other various areas of finance. How do these individuals with engineering degrees or a focus in copyright law end up working for a Big Four accounting firm or as a financial planner without experience, education, or previous interactions?

There are many differences between a financial or tax professional and a finance lawyer. A financial or tax professional is much more widely known in the profession and to a layperson. These individuals do financial planning, taxes, estate planning, tax preparation, international transactions, business acquisitions, and mergers. However, these individuals are limited by the parameters of their state licenses through the accounting board or the securities regulation division of their state. Most of the time, a financial or tax individual does not deal with

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the technical or legal aspects of contracts related to mergers and acquisitions, purchase/sales of assets, loan options for corporation buyouts, etc. A financial or tax professional touches more on tax savings, tax planning, how the asset will be held for book and tax purposes on a business's profit-and-loss or balance sheet, or how certain assets would be classified based on an asset or stock sale.

A finance lawyer will be the individual hired to arrange the loans to buy other companies or to finance new business ventures. Usually, these individuals are mostly known as corporate lawyers and can have a multitude of specialties, just like finance/tax individuals. They deal with the legal elements of the transaction related to the regulations and statutes that will guide the securities, bonds, options, tax transactions, mergers and acquisitions, etc. Their job is to make sure that should this international or domestic transaction come before a government agency, there will be no dispute as to the legality

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of the transaction. In addition, they can help individuals use their business or personal assets for financial planning, funding their estate plan. They can also help individuals structure their finances to protect from

bankruptcy or debt collection.

As an attorney, an individual can break into either aspect of the financial world: the transactional side as a finance lawyer or the financial/tax individual side as a planner, preparer, or controversy attorney. Though having the experience and education is not a prerequisite, it can be a useful stepping-stone for an attorney to enter the financial world either as an attorney or as a financial/tax professional. Attorneys can use their legal skills to be successful on either side. ■



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