

In The News

David Blum Explains Significance of *Wisconsin Central v. U.S.* in *Law360*'s List of the Top Federal Tax Cases of 2018

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Partner [David Blum](#) explained the significance of the U.S. Supreme Court's decision in *Wisconsin Central Ltd. et al. v. United States of America* in *Law360*'s "5 Top Federal Tax Decisions Of 2018" article. In June 2018, the Supreme Court ruled that a railroad company's employee stock options are not taxable because they are not considered "money remuneration" under the Railroad Retirement Tax Act, or RRTA. The decision overturned a previous decision by the Seventh Circuit.

The decision is significant because under the Internal Revenue Code any accession of wealth is considered taxable, Blum told *Law360*. But the RRTA specifically states that compensation must be in the form of money, he said.

"What was interesting was that the divided court concluded that words matter and the statutory language matters," Blum said. "What does this mean for the future interpretation of the tax code, that practitioners are struggling to employ with precision?"

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