

**COUNCIL OF TAXATION SECTION
MINUTES OF REGULAR MEETING**

February 13, 2014

A regular meeting of the Council of the State Bar of Michigan Taxation Section was held on February 13, 2014, at 9:00 am at the offices of Honigman Miller Schwartz and Cohn LLP located at 39400 Woodward Avenue, Bloomfield Hills, Michigan. Lynn Gandhi, Chairperson of the Taxation Section, presided.

COUNCIL MEMBERS PRESENT

Lynn Gandhi	Frank Henke	James Combs
Marjorie Gell	Paul McCord	William Lentine
Alexander Domenicucci	Carolee Kvoriak Cameron	Tammie Tischler
Michael Antovski	Wayne Roberts	Jackie Cook
Marla Carew		

COUNCIL MEMBERS ABSENT

Andrew Lane		

COMMITTEE CHAIRPERSONS PRESENT

Sean Cook	Mickey Bartlett	

COMMITTEE CHAIRPERSONS ABSENT

Hassan Jaafar	Tamika Mayes	Stephanie Teitsma
Evan Kaploe	Andrew MacLeod	

OTHERS PRESENT

Richard Siriani	Erin-leigh Sexton	

Lynn Gandhi called the meeting to order at 9:00 am.

MINUTES

The Council Meeting Minutes of December 19, 2013, were presented. Upon motion by Tammie Tischler, seconded by Frank Henke, the aforementioned Minutes, as amended, were unanimously approved and adopted.

The Council Meeting Minutes of January 16, 2014, were presented. Upon motion by Michael Antovski, seconded by Carolee Cameron, the aforementioned Minutes, as amended, were unanimously approved and adopted.

TREASURER'S REPORT

The Treasurer's reports for the three months ended December 31, 2013, and four months ended January 31, 2014, were presented. Upon motion by Marla Carew, seconded by William Lentine, the aforementioned report was unanimously approved and adopted.

Council discussed the budgeted revenue from Tax Court Luncheons. The budgeted amount of \$2,000 was thought to be unlikely. There was discussion of reporting the luncheons as a net expense. Council agreed to report it as a separate revenue item and expense item for the time being, but would revisit the issue in six months. Tammie Tischler will check into pricing and budgeting for future luncheons and prepare a preliminary budget.

Council was reminded that payments of Tax Conference sponsorships will be made through ICLE. There was also discussion of changing account names for budgeting purposes (although that would require approval from the State Bar).

COUNCIL ACTIVITIES

Lynn Gandhi began the discussion of Council activities by acknowledging and thanking Evan Kaploe for his efforts in preparing the *Ford* amicus brief. Lynn reported to Council that, based on contact made by Ford and its counsel, they had received a draft of the brief prior to Council approving the brief. Alex Domenicucci agreed to review the amicus brief policy of the Section and report to Council with any recommendations for revising the policy.

1. *Michigan Tax Lawyer* – Jackie Cook and William Lentine (Ass't Editor)

Jackie Cook reported that she has six articles for the next issue of the *Michigan Tax Lawyer*, and that the *Ford* amicus brief will also be published in the next issue. Jackie also reported that all past issues have been uploaded to the Section website.

Jackie informed Council that 2014 is the 40th anniversary of the *Michigan Tax Lawyer*. Jackie wants to include "throw-back" articles from old issues of the *Michigan Tax*

Lawyer in upcoming issues to give readers some perspective of the tax issues that practitioners had addressed in the past. Jackie also discussed the possibility of giving away issues of the *Michigan Tax Lawyer* at the Tax Conference to commemorate the journal's 40 year anniversary.

Council discussed conducting a survey of whether members of the Section prefer to receive hard copies of the *Michigan Tax Lawyer* or to receive them online. William Lentine agreed to follow-up on the survey.

2. Internet/Michigan Bar Journal Liaison – Andrew Lane

Andrew Lane was absent but provided the following written report:

“No updates for the website. Please let me know if any[one] would like something posted. I am waiting to hear from SBM on the new SBM connect roll-out that I discussed in last month's report.”

3. Membership Outreach and Tax Court Luncheon Coordinator – Tammie Tischler

Tammie Tischler indicated Judge Armen has not yet returned her calls regarding a luncheon.

Tammie suggested that the Section prepare a one-page “card” or “brochure” that instructs students and young lawyers on how to join the Section. Lynn Gandhi thought the idea was worth exploring.

4. 2014 Tax Conference – Carolee Kvorciak Cameron

Carolee Cameron reported that the first round of Tax Conference brochures has been mailed. Carolee also reported that subsequent rounds will be mailed on March 17 and April 11.

Carolee indicated that the sponsorships are complete at this point. The sponsors are Comerica, Stout Risius, Plant Moran and Clark Hill.

5. 2015 Tax Conference – James Combs

James Combs indicated that he had nothing new to report.

6. Federal & State Legislative Update and Public Policy Liaison – William Lentine and Jackie Cook

William Lentine discussed SB 337 requiring the Michigan Department of Treasury to conduct timely audits, pay refunds in a timely manner, and timely respond to tax clearance requests.

Wayne Roberts mentioned that the offer-in-compromise bill will be heard and voted upon by the full House and Senate.

7. Directory and Annual Meeting – Frank Henke

Frank Henke indicated that the annual meeting is scheduled for September 18, 2014, at the Townsend Hotel. Frank also mentioned that he is thinking about a speaker for the annual meeting.

8. Continuing Professional Education and After-Hours Tax Law Series – Jeff Kirkey and Marla Carew

Jeff Kirkey was absent but provided the following written report:

“I won’t be at the meeting tomorrow, but attached is an After Hours Tax report. We added a 5th AHT webcast covering the 3.8% investment tax more in-depth. We’ll record it next week along with the estate and gift tax webcast. Your federal update just got released in the Partnership yesterday.”

Marla Carew mentioned that the presentation on the 3.8% investment tax and others were being videotaped at ICLE this week.

9. Grant Program – Marla Carew

Marla Carew indicated that letters have been sent to various organizations to notify them of the grant program. Marla also indicated that March 15, 2014 is the deadline for applications, and that recommendations of the grant program committee would be presented at the Council meeting in April.

10. Pro Bono Project/Community Service Initiative Coordinator – Paul V. McCord

Paul McCord reported that 11 cases have been referred to the pro bono program and 40 attorneys have volunteered. Paul indicated that there is more capacity than demand at the current moment. Paul also indicated that a meeting has been scheduled for April 8, 2014, at which time he will have a better sense of where things stand.

11. IRS Area Counsel Liaison Report – Eric Skinner and Rob Heitmeyer

Eric Skinner and Rob Heitmeyer were absent and provided no written report.

12. Probate and Estate Planning Section Liaison Report – George Gregory

George Gregory was absent and did not provide a written report.

13. State Bar of Michigan Liaison Report – Richard Siriani

Richard Siriani discussed new SB 743, which calls for voluntary membership in the State Bar of Michigan. Richard indicated that a special meeting had been scheduled on February 6, 2014, to discuss the issue. He also indicated that the bill has a right to work component associated with it. Richard informed Council that 18 states currently have voluntary membership.

14. YLS Liaison Report – Phil Admiraal

Phil Admiral was absent and did not provide a written report.

15. Program Facilitator Report – Erin-leigh Sexton

Erin-leigh Sexton indicated that she had nothing new to report.

COMMITTEE ACTIVITIES

1. Business Entities – Andrew MacLeod

Andrew MacLeod was absent but provided the following written report:

“On January 30th, a meeting of the Federal Income Tax Committee was held at the Detroit office of Dickinson Wright PLLC and Andrew MacLeod presented on ‘Purchase Price Allocations and Related Issues’.

Upcoming on March 6th at 4pm at Honigman’s Detroit office, James Combs of Honigman will be presenting on ‘Select Issues in Tax-Free Distributions under Section 355.’ The presentation will run from 4-5 pm with networking/cocktails to follow at a local establishment.

On Thursday September 11th at 4pm at Dickenson Wright’s Detroit office, there will be a presentation titled ‘Tax and Other Issues Facing Corporate Tax Departments.’ At present, Jay Frucci, the Chief Tax Officer, of Ally Financial Inc. is scheduled to speak regarding tax and business issues and challenges presently facing corporate tax departments. Jay has agreed, but consideration is also being given as to whether to invite other panelists to participate. The presentation is anticipated to last for about an hour, with networking/cocktails to follow at a local establishment.”

2. Employee Benefits – Mickey Bartlett

Mickey Bartlett indicated that there will be a joint meeting with the ASPPA and the Young Tax Lawyers Committee to put on an “ERISA Talent Show” on Wednesday, May 7, 2014. Mickey also mentioned that she is working with Rob Heitmeyer to have an IRS speaker for an upcoming committee meeting.

3. Estates and Trusts – Sean Cook

Sean Cook reported that a committee meeting was held on January 22, 2014. George Gregory spoke on the application of the net investment tax on estates and trusts. Sean indicated that there was a good turnout. Sean mentioned that the next committee meeting will be on May 8, 2014.

4. Practice and Procedure – Evan Kaploe

Evan Kaploe was absent and did not provide a written report.

5. State and Local Taxation – Tamika Mayes

Tamika Mayes was absent and did not provide a written report.

6. International Taxation – Hassan Jaafar

Hassan Jaafar was absent and did not provide a written report:

7. Young Lawyers – Stephanie Teitsma

Stephanie Teitsma was absent but provided the following written report:

“As far as a report – the event we had at MSU featuring young international tax attorneys (Henna Mirza from GM and Charley Meng from Foley & Lardner) went VERY well! About 15-20 people came and about 10 signed up for my committee. I’ve exchanged emails with each of them and suggested the committee(s) related to the areas they are involved in. Feedback from the group was that this was the most useful event they attended. So I’m pleased it went well.”

OLD BUSINESS

1. Task Force Regarding Michigan Treasury Proposed Appeals Administration

The letter relating to the Michigan Treasury Proposed Appeals Administration has been submitted.

Lynn Gandhi indicated that she would like to submit a second proposal with respect to pay-to-play rules.

Wayne Roberts commented that the groups that have an interest in these issues are diverse with different agenda. Wayne indicated that he would like Council to propose a predictable legal process. Wayne also indicated that he would like to consider reopening our prior position/analysis with respect to our proposal regarding the Court of Claims structure and consider sending a subsequent letter to Senator Caswell.

2. Tax Force Regarding Uncapping for Intra-Family Transfers

The task force sent comments to the proposed revisions by the Real Estate Section. It had been recommended that the Tax Section support the Real Estate Section with certain caveats.

3. Revision of Tax Council Manual

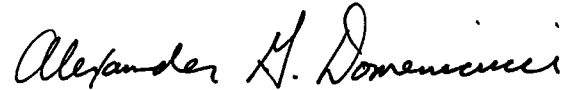
Marjorie Gell indicated that she had nothing new to report regarding the revisions to the Tax Section manual.

NEW BUSINESS

Council discussed new SB 743, calling for voluntary membership in the State Bar of Michigan. Council discussed a Section resolution to oppose the bill and lend support to the State Bar. Alex Domenicucci will prepare the resolution regarding SB 743.

There being no additional business, a motion was made by Tammie Tischler, seconded by Wayne Roberts, the meeting was adjourned at approximately 11:01 am.

Respectfully submitted,

A handwritten signature in black ink that reads "Alexander G. Domenicucci". The signature is written in a cursive style with a large initial 'A'.

Alexander G. Domenicucci
Acting Secretary