

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

**November 3, 2011**

A regular meeting of the Council of the State Bar of Michigan Taxation Section was held on November 3, 2011 at 9:00 AM at the Oakland County offices of Honigman Miller Schwartz and Cohn LLP, 39400 Woodward Ave, Bloomfield Hills, MI. Warren Widmayer, Chairperson of the Taxation Section, presided.

**COUNCIL MEMBERS PRESENT**

Warren Widmayer	Wayne Roberts	Lynn Gandhi
Marla Carew	Alex Domenicucci	George V. Cassar, Jr.
Michael Antovski	Carolee Kvoriak Cameron	Gina M. Torielli

**COUNCIL MEMBERS ABSENT**

Paul V. McCord	Gary Glenn	Gary Remer
Daniel Houlf	Marjorie B. Gell	

**COMMITTEE CHAIRPERSONS PRESENT**

Deborah Baughman	Frank Henke	
Andy Lane	Jackie Cook	

**COMMITTEE CHAIRPERSONS ABSENT**

Nicole Appleberry		
James Combs		

**OTHERS PRESENT**

Robert D. Heitmeyer	Jeff Kirkey	
Erin-leigh Sexton		

Council Chairperson, Warren Widmayer, called the meeting to order at approximately 9:05 AM. Lynn Gandhi indicated that she had agreed with Marjorie Gell to take the minutes in Marjie's absence.

### Minutes

The Minutes of the September 22, 2011 meeting of the Council were previously distributed. Upon the motion by Gina Torielli, seconded by Alex Domenicucci, the Minutes were unanimously approved and adopted.

### Treasurer's Report

Wayne Roberts provided his year-end report as Treasurer. The final report was very close to budgeted. Some items of income and expense were disclosed differently from prior years due to changes in ledger categories by the State Bar. There was less revenue loss than anticipated due to a less aggressive spend down of prior year cash balances.

A draft of the 2011-2012 budget was distributed and discussed.

A motion to adopt the proposed budget with the adjustments as discussed was made by George Cassar, seconded by Alex Domenicucci, and unanimously approved.

### Council Activities

#### 1. Continuing Professional Education - After Hours Tax Law Series – Jeff Kirkey

One session has been held to date, on October 6, 2011, on tax administration and procedure. There were 22 attendees in person, and 43 by web. The next program will be on November 15, 2011, on the new Michigan Corporate Income Tax, which will be solely available by webcast. There are currently 82 registered. In January 2012, there will be a program on law practice management, followed by a program on Estate & Gift Taxation in February.

#### 2. 2012 Tax Conference – Michael Antovski and 2013 Tax Conference – Alex Domenicucci

The 2012 Annual Tax Conference will be held on May 1, 2012. Most of the speaker slots are filled, and the focus will now turn to sponsorship and event planning. Dates for 2013 are being considered.

#### 3. Tax Court Luncheon – Dan Houlf

Dan Houlf was not present but provided a report. He is working on a January program regarding Practice & Procedure with the IRS. The program will be focused on attracting new practitioners and students.

#### 4. Outreach – Dan Houlf

Due to firms' scholarships raised largely through Dan's efforts, we were able to provide approximately 100 student scholarships to attend the Michigan Tax Conference.

5. Directory – Gary Remer

Gary Remer was not present and a report was not provided.

6. Michigan Bar Journal Liaison – Gary Glenn

Gary was not present, but sent in a reminder that the cut off for section briefs is November 10, 2011, and requested that any submissions be emailed to him.

7. Michigan Tax Lawyer – Marla Carew

The fall issue is in the hands of the printer and should shortly be received in the mail. The winter 2012 issue will feature Practice & Procedure and State and Local Tax, although all good articles will be considered.

8. Internet – George Cassar

The council page features an updated calendar. There is an approximately one ½-week delay in posting to Facebook. Committee chairs are in the process of updating committee membership lists, and options for improved committee sign-up via the web site are being considered.

9. Public Policy Liaison – Carolee Kvoriak Cameron

Carolee reported that two urgent issues at the Michigan Legislature in regards to taxation were the pending legislation regarding (1) a change in the apportionment methodology for flow through entities that are unitary with C corporation members (from allocation based on the flow through entity's factors) and (2) the treatment of disregarded entities.

A discussion was held regarding the request for comment by Nate Forstner, Chief of Staff to Lt. Gov. Calley. The process of how Council is able to provide comments was reviewed, and members were reminded that final approval from the State Bar is required.

Interested Council members were encouraged to join the ad hoc task force set up to discuss these items. The following members volunteered: Wayne Roberts, Lynn Gandhi, Mike Antovski, Alexander Domenicucci and Marjie Gell. Jackie Cook will lead the task force.

Also discussed were the new withholding requirements for tiered entities, the 3% federal contractor withholding and potential legislation that would prohibit third party contingency fee auditors. Carolee offered to prepare brief white papers on these issues for Council. The suggestion by the Chair was that the issues be addressed separately for clarity and ease of administration in case of further action on these issues.

10. Pro Bono – Paul McCord

Paul was absent but sent in a report. He is working on two programs. The first will be in conjunction with the Tax Court, and the second will be to add additional capacity to the tax clinics run by several of the law schools. Paul is reviewing specific implementation proposals. Rob Heitmeyer and Nicole Appleberry have offered to assist Paul.

11. Membership Outreach Coordinator – Dan Houlf

Dan reported that he is actively working to obtain scholarships for students for the November MACLA/SBM Michigan Tax Conference, to be held in November. He plans to repeat the well received “Meet and Greet” at the University of Detroit in January.

12. Probate and Estate Planning Section Liaison Report – Fred Hoops

Fred was not present and no report was provided.

13. State Bar of Michigan Liaison Report – David Perkins

David Perkins did not attend, but plans to sit in on the next officer’s call. At the State Bar Leadership Forum, the liaisons were informed that there was a priority being placed on encouraging liaison interaction with their sections.

14. IRS Area Counsel Liaison Report – Rob Heitmeyer

Rob informed council of some of the most recent case decisions on the calendar. Judge Armand is expected in November and Judge Dawson in March. Rob also provided a summary of current Washington D.C. updates regarding innocent spouse relief, the next wave of UBS cases and preparer’s penalties.

The Detroit office of the IRS is open to local speaking opportunities and calls from practitioners.

15. Young Lawyer’s Section Liaison Report – Phil Admiraal

Phil Admiraal was absent, no report was provided.

16. Program Facilitator Report – Erin-leigh Sexton

Erin encouraged council members to reach out and provide guidance to and seek support from her as she settles into her role. Feel free to email or call Erin.

COMMITTEE ACTIVITIES

1. Business Entities – James Combs

James was absent but provided a report. Business Entities and the International Committee will hold a joint program in November.

2. Employee Benefits – Deborah Baughman

Deborah is working on upcoming events. She has identified her speaker for the Annual Meeting.

3. Estates and Trusts – Frank Henke

Frank is meeting with the Probate section and has discussed the joint sharing of the list serve, but not sharing mailing lists.

Currently, 450 of Tax Section members are also part of the Probate section.

Frank has identified speakers for the Annual Tax Conference, and is planning 3-4 events. There will be a late winter program in February or March on gift tax strategies and audit activity; a spring program on the new law in the area, and; a June or July event on the international area.

4. Practice and Procedure – Nicole Appleberry

Nicole was absent but provided a written report. There will be a joint session with the State and Local Tax Committee and the Administrative Law Section featuring Kimball Smith of the Tax Tribunal in December. She is also working on a joint meeting with the Outreach Committee with the IRS.

5. State and Local –Carolee Cameron

Carolee is working on upcoming meetings for the Committee and is working to update the SALT list serve.

6. International Law – Andy Lane

There will be a joint meeting with the Business Entities Committee at Honigman's Bloomfield office on November 18, 2011 regarding IRC section 382.

Andy is confirming speakers for committee meetings. There will be two additional programs in addition to the November meeting. There will be a legislative update program on March 22, 2012 and a program on the international tax penalty regime on June 14, 2012.

**OLD BUSINESS**

A brief discussion was held on the section letter on the Michigan Corporate Income Tax.

A brief discussion was also held regarding follow up on the Alvin Storres Tax Clinic at the MSU College of Law. Eric Nemeth had presented at the Annual Meeting and asked the Section to consider a donation to the current campaign underway to improve the Clinic.

Additional information was to be provided to council. Warren will contact Michele Haloran of the MSU College of Law to request additional details.

**NEW BUSINESS**

Warren encouraged new council members to review the council procedures manual, and the updated roster and calendar.

Warren discussed concerns with having the Annual meeting at the May Tax Conference. A review of the requirements indicated a logistics issue with not having sufficient time to transition responsibilities of the officers and committee members. Having the Past President's dinner at the annual meeting is still under consideration.

There being no further business, upon motion duly made by Gina Torielli, seconded by Michael Antovski, and unanimously approved, the meeting was adjourned at approximately 11:07 AM.

Respectfully submitted,

Lynn Gandhi  
Acting Secretary

10177385.2