

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

January 22, 2015

A regular meeting of the Council of the State Bar of Michigan Taxation Section was held on January 22, 2015, at 9:07 am at the offices of Honigman Miller Schwartz and Cohn LLP located at 39400 Woodward Avenue, Suite 101, Bloomfield Hills, Michigan. Marjorie Gell, Chairperson of the Taxation Section, presided.

COUNCIL MEMBERS PRESENT

Marjorie Gell	Michael Antovski	Alexander Domenicucci
Carolee Kvoriak Smith	Lynn Gandhi	Marla Carew
Jackie Cook	James Combs	William Lentine
Paul McCord	Joseph Pia	Tammie Tischler

COUNCIL MEMBERS ABSENT

Frank Henke	Regina Staudacher	

COMMITTEE CHAIRPERSONS PRESENT

Jack Panitch	Andrew MacLeod	Andrea Crumback
Sean Cook	Katherine Wilbur	

COMMITTEE CHAIRPERSONS ABSENT

Mickey Bartlett		

OTHERS PRESENT

Brian Figot	Richard Siriani	Stephanie Stenberg

The Chair called the meeting to order at 9:07 am. Marjorie started the meeting by wishing Carolee Smith and Paul McCord a happy birthday.

MINUTES

The Council Meeting Minutes of December 11, 2014, were presented. Alex Domenicucci offered a minor correction. Upon motion by Michael Antovski, seconded by Marla Carew, the aforementioned Minutes, as amended, were unanimously approved and adopted.

TREASURER'S REPORT

The budget for the three months ended December 31, 2014 was presented. Of note is the fact that dues are a little bit down at this point in time, although some additional dues are still trickling in. Alex Domenicucci inquired as to whether this was normal – Richard Siriani pointed out that not all members pay their dues on time – so this might in fact be a normal occurrence. Marjorie noted that we should examine whether we are losing members and if so, try to determine why.

We have received some requests for reimbursement of expenses from some of the committees. Alex Domenicucci encouraged committee chairs to host events and spend their budget. He also reminded everyone to submit reimbursements for expenses within 60 days of an event. Marjorie Gell and James Combs reminded committee chairs to submit a list of attendees to the State Bar with the request for reimbursement and to itemize receipts.

Marjorie would like to explore whether other subscription services might be interested in the Michigan Tax Lawyer. Bill Lentine is going to check whether our arrangement with Lexis is exclusive.

Upon motion by Marla Carew, seconded by Michael Antovski, the budget was unanimously approved and adopted subject to and pending an accounting of the costs of the tax conference.

COUNCIL ACTIVITIES

1. Strategic Planning –Jackie Cook

Jackie Cook was in attendance – see “Strategic Planning” under New Business.

2. Social Media / Communications – Marla Carew

Marla Carew reported on the new SBM Connect. New member enhancements were launched in January 2015 – Marla finds them to be convoluted and difficult to navigate. She also raised concerns about a new feature where you can opt in to receiving recommendations and endorsements. Richard Siriani confirmed that you can opt out of

this feature and that the only information automatically is the information supplied by an attorney to the State Bar. Marla has reached out to Candace Crowley and expressed her concerns. Richard recommended contacting Ann Vrooman.

Also discussed was the multitude of technical difficulties surrounding the new SBM Connect. Marla will continue to update the Council regarding fixes to these issues.

Marla is also working with Katie Wilbur with respect to the Council's social media presence. Katie agreed to start a new Facebook page – our old one was never really maintained. We discussed whether the Council should have a Twitter account, but agreed that it might not be all that effective. Katie will have a test Facebook page for us at the next meeting. Marjorie Gell would like to launch a new Facebook page by May of this year.

3. Michigan Tax Lawyer – William Lentine

Bill Lentine reported that he has two articles for the Winter 2015 Michigan Tax Lawyer but only one committee report. He is looking for articles on Practice and Procedure / International and Federal Income Tax. Marjorie and Joe Pia offered to help Bill reach out the law schools in an effort to increase student submissions. Bill will also reach out to Omega Talents to see if they would like to advertise in the Michigan Tax Lawyer as a “thank you” for sponsoring this year's Annual Tax Conference.

4. Michigan Bar Journal Liaison / Tax Court Lunch – Gina Staudacher

Gina was absent but submitted a report regarding upcoming Tax Court Luncheons. The next one is February 3 and as of yet no location had been determined. The Council discussed whether it should be cancelled.

5. Tax Conference

a. 2015

James Combs reported that Comerica again agreed to be a sponsor at the \$2500 level and BNA is now a sponsor at the \$1000 level. Sponsorships now total \$11,500. A first draft of the mailing will be ready soon. All the speakers have been lined up.

b. 2016

No date yet for the 2016 conference – Stephanie Stenberg is still in the process of negotiating for a date with the Inn at St. John's.

6. Federal & State Legislative Update and Public Policy Liaison – Frank Henke

Frank Henke was absent – Lynn Gandhi gave his report to the Council. Lynn noted that the President Obama's Proposed Budget has been issued. She also discussed the Michigan road funding legislation (a series of nine bills) set for a taxpayer vote on May

5, 2015. If passed, these bills will increase taxes by a total of \$1.7 billion. The bills propose to raise the sales tax by a penny, increase college spending and increase the state earned income tax credit. Motor fuel will be subject to a wholesale tax “at the rack” rather than the sales and use tax. Lynn also discussed various concerns raised by the bills.

7. Annual Meeting – Joe Pia

The annual meeting will be held on September 24, 2015 at the Townsend in Birmingham. Lynn Gandhi suggested reaching out to high school student musicians as entertainment.

8. ICLE – Stephanie Stenberg / Marla Carew

The latest ICLE webinar, An Inside Look on Criminal Investigations, will be available on February 4 on demand on ICLE’s website. The next session on estate planning will be taped on February 19, 2015, to be released on March 12, 2015.

9. Grant Program – Paul McCord

Paul McCord was in attendance but did not have anything new to report.

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

Paul reported that there will be a meeting on February 2, 2015. He will have more to report at the next meeting.

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

Neither Eric nor Rob were in attendance and did not send a report.

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

George Gregory was absent and submitted a report (attached).

13. State Bar of Michigan Liaison Report – Richard Siriani

Richard Siriani was present but had nothing to report.

14. YLS Liaison Report – Phil Admiraal

Phil Admiraal is no longer interested in being the YLS Liaison. The Council discussed whether we need to fill this position, given that we have recently formed a Young Lawyers committee. We decided that the chair of the Young Lawyers committee can now fill this role. Richard Siriani suggested Katie should give Vanessa Williams (the YLS chair this year) a call.

15. Program Facilitator Report – Brian Figot

Brian was present and had nothing to report. He is available if anyone needs assistance.

16. Committee Activities

a. Federal Income Tax – Andrew MacLeod

Andrew MacLeod reported on the January 15, 2015 FIT committee meeting at Dickinson Wright's Detroit office. James Combs gave a presentation on obtaining an IRS private letter ruling that was well attended. Future meetings include a discussion of merger and acquisition issues for S corporation on March 5, 2015 and a transfer pricing presentation scheduled for May 7, 2015.

Andrew asked how to get a list of the email distribution list for his committee. Marjorie Gell noted that keeping this list fresh has always been an issue. Carolee Smith suggested sending out an email blast or Survey Monkey to see which members are interested in which committees and then start a new list for committees. The Council has discussed using a service like Constant Contact, which costs about \$30 a year. Marjorie also suggested asking the State Bar for ideas. Marla Carew, Brian Figot and Marjorie will follow up on this issue.

b. Employee Benefits – Mickey Bartlett

Mickey Bartlett was absent but submitted a report (attached).

c. Estates and Trusts – Sean Cook

Sean Cook distributed materials from the committee's event with Jeff Risius, which was very interesting and well attended. Sean is lining up additional events, including one on reporting of foreign trusts as well as an update on the Heckerling conference.

The Probate Section of the State Bar is looking for members to help draft new legislation, the Community Property Trust Act. Sean will either appoint someone to sit on this committee or sit on it himself. The ABLE act, which will form a new 529 plan for disabled students, was also discussed. This plan will not replace special needs trusts.

d. Practice and Procedure – Jack Panitch

Jack was present but did not have anything to report. He will schedule some more events soon. He asked the Council whether we might be interested in an event to address Tax Tribunal reform. Marjorie Gell suggested that Jack and Andrea Crumback should work together and plan an event.

e. State and Local Taxation – Andrea Crumback

Andrea Crumback discussed recent developments in the Tax Tribunal and would like to pursue the issue of Tax Tribunal reform. Marjorie suggested forming an ad hoc committee made up of Andrea, Jack Panitch and Lynn Gandhi to consider this issue.

Andrea is also pursuing an opportunity to co-host a social event with the MiCPA.

f. Young Lawyers – Katie Wilbur

The Young Lawyers committee has a social event planned for February 5, 2015 at the Mid-Town Brewery in Lansing. Katie is also planning a meeting to discuss the nuts and bolts of tax provisions in LLC and partnership agreements. Katie welcomed suggestions for future events and asked what you wish you knew as a young tax lawyer.

OLD BUSINESS

1. Past Chair Advisory Group

Marjorie Gell has appointed six past chairpersons for one-year terms to explore whether we want to make this sort of group a permanent addition to the Council. The six chairpersons appointed are: LIST THEM HERE (list in packet).

Wayne Roberts expressed interest in chairing this group. Marjorie discussed whether immediate past chairs should be eligible. The Council agreed that there should not be any automatic disqualification of immediate past chairs.

This group will be acknowledged each year at our Annual Tax Conference and encouraged to attend Council meetings.

2. Taxation Section Lifetime Achievement Award

Marjorie Gell distributed guidelines for this proposed award that would be given out at the Annual Tax Conference. This award would recognize members with a life time distinguished career. Marjorie encouraged Council members to submit nominations so the Council can vote at the March 12, 2015 meeting.

3. New Legislators Webinar - MiCPA

The Tax Council will send a representative – either Dan Stanley or Lynn Gandhi – to the MiCPA SALT school for legislators.

NEW BUSINESS

1. BTAG

Alan Valade is retiring. Lynn Gandhi will now represent the Tax Council at BTAG.

2. Strategic Planning

Jackie Cook is researching other groups' strategic plans – the Idaho tax bar has a great one. One goal should be to increase discussions with governmental officials. Another goal should be more effective communication with our membership. The first step will be to make a list of goals by April 2015 and then the strategic plan will follow. Council members are encouraged to submit ideas for goals and to read the State Bar's strategic plan. Richard Siriani advised that the State Bar is in the process of revising its own strategic plan.

3. The next meeting will be March 12, 2015 at 9 am, location TBD.

There being no additional business, a motion to adjourn was made by Michael Antovski, seconded by Alex Domenicucci. The meeting was adjourned at approximately 11:10 am.

Respectfully submitted,

Carolee Kvoriak Smith
Acting Secretary

COMPILATION OF WRITTEN REPORTS

Taxation Council Meeting
January 22, 2015

COUNCIL ACTIVITIES

Secretary: Carolee Kvoriak Smith

See Minutes from December 11, 2015, attached, submitted for approval.

Treasurer: Alexander G. Domenicucci

See Treasurer's Report for Three-Months Ending December 31, 2014, attached, submitted

COMMITTEE ACTIVITIES

Federal Income Tax

Report from Andrew MacLeod, received January 20, 2015

- On January 15, 2015, James Combs, made a presentation to the FIT Committee on "The Nuts & Bolts of Obtaining a Private Letter Ruling." Approximately ten people attended the event, and a networking event followed the presentation.
- On March 5th at 4pm at Dickinson Wright PLLC's Detroit office located at 500 Woodward Avenue, Suite 4000, Mike Monaghan of Plante Moran will be making a presentation to the Federal Income Tax Committee on "S Corporation M&A Issues. During the presentation Mike will address topics such as Net Investment Income Tax Implications, Mandatory Basis Reductions, LLCs Taxed as S Corporations, and Asset v. Stock Sale Considerations. Mike is the leader of Plante Moran's National Tax Office, and has significant M&A transactional experience.
- On May 7th at 4pm at Dickinson Wright PLLC's Detroit office located at 500 Woodward Avenue, Suite 4000, Alex Martin, the head of Clayton & McKerverey, P.C.'s transfer pricing practice will be making a presentation titled "An Insider's Guide to Transfer Pricing." As an economist, Alex will introduce practical insights and time-tested strategies to assist clients in managing transfer pricing issues

Estates & Trusts

Sean Cook

Practice & Procedure

Jack Panitch

Young Tax Lawyers Committee

Report from Katherine Wilbur, received January 21, 2015

The Young Tax Lawyers Committee is meeting for appetizers and refreshments on February 5th in Lansing at Midtown Brewing Co. Come spend a couple of hours

meeting fellow rising stars in tax law and discussing current tax topics. Please see the Tax Section's website for more details.

In addition, the Young Tax Lawyers Committee is reaching out to its membership for suggestions on our next formal programming event. Please reach out to Katherine Wilbur with your idea at katherine.wilbur@gmail.com.

Report Regarding Strategic Planning – Jackie Cook

See attachment

Report Regarding Tax Court Lunches and Bar Journal – Gina Staudacher

Tax Court Lunches:

We are aiming at the following proposed dates for Tax Court lunches in Detroit: There is one date coming up, on Tuesday, February 3, 2015, with Judge Albert G Lauber, and another date getting firmed up, Tuesday, June 23, 2015, with Judge Joseph H. Gale. The April Tax Court Lunch, however, appears to be a “no-go” as of January 21.

Tax Council is requested to hold These dates in until I get confirmation from the Judges – I have only spoken with their chamber office assistants and they both need to get back with me to confirm what date is best for them. I am expecting that the final dates will be on Tuesday Feb 3 – this date is creeping up quickly, Tuesday April 21 and Tuesday June 23rd

Issues/Questions:

1. When we get the dates, what is the price that we typically announce/advertise for the lunch?
2. I will confirm location for the Feb 3 lunch –I understand that we need a venue within short walking distance of the courthouse and welcome any suggestions on locations that have worked in the past.

Bar Journal

I will correspond with Linda Novak at the State Bar Journal later this week – looks as though she will be needing content for the September 2016 related to: Tax Tips.

Also, I will reach out to Linda Novak, and Francine Cullari (Chair of the Publications and Website Advisory Committee) and confirm the timing and the extent of content that they will be needing. Both updates will be provided as soon as received.

Probate and Estate Planning Section Liaison Report – George Gregory

The Probate & Estate Planning Section is looking at creating a Community Property Trust Act (as Alaska and Tennessee have done). I will be on that committee. If the Taxation Section wanted to have Amy Morrissey appoint someone else or another person, I think she probably would.

Employee Benefits – Mickey Bartlett

I just started working at GM on Friday as an International Benefits Mgr in HR/Global Benefits. I won't be able to attend the council meeting in person this week. I may be able to call in, but I won't know until the morning of the meeting. At this point, I don't have any updates for the committee other than my status. I will be working on scheduling events for the Committee.

Other:

Annual Meeting – Joe Pia – September 24, 2015

Federal & State Legislative Update and Public Policy Liaison –Frank Henke

Grant Program – Paul McCord

ICLE – Jeff Kirkey and Joe Pia

IRS Area Counsel Liaison Report – Eric Skinner/Rob Heitmeyer

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

Program Facilitator Report – Brian Figot

Social Media/Communications – Marla Carew

State Bar of Michigan Liaison Report – Richard Siriani

State & Local Taxation – Andrea Crumback

Tax Conference

2015 – James Combs – May 21, 2015

2016 – Tammie Tischler