

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

January 18, 2017

A regular meeting of the Council of the State Bar of Michigan Taxation Section was held on January 18, 2017, at 3 p.m. at Wayne State University, 471 W. Palmer St., Detroit, Michigan. Alexander Domenicucci, Chairperson of the Taxation Section, presided.

COUNCIL MEMBERS PRESENT

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| Alexander Domenicucci | Carolee Kvoriak Smith | Jackie Cook |
| James Combs | Sean Cook | Mindi Johnson |
| Andrew MacLeod | Andrea Crumback | Michael Monaghan |
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COUNCIL MEMBERS ABSENT

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| Paul McCord | Michael Antovski | William Lentine |
| Katie Wilbur | Joshua Wease | |

COMMITTEE CHAIRPERSONS PRESENT

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| Jon Baloch | Dan Stanley | |
| Ryan Peruski | Thomas Fabbri | |

COMMITTEE CHAIRPERSONS ABSENT

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| Brian Gallagher | Marcy Rosen | |
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OTHERS PRESENT

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| Jeff Kirkey | Shenique Moss | |
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The Chair called the meeting to order at approximately 3:16 p.m. A quorum attended in person and via phone.

CHAIR'S REPORT

The Chair noted that Past Section Chair Warren Widmayer's father recently passed away and attendees expressed their condolences.

The Chair offered a welcome to the Taxation Section's new SBM liaison, Shenique Moss. Shenique introduced herself and provided background on her employment with the Wayne County Commission and prior employment with the Michigan AG's office. Shenique is currently the chair of the SBM Young Lawyers Section and indicated that the Young Lawyers Section would like to partner with the Taxation Section on events.

MINUTES OF PRIOR COUNCIL MEETING

James Combs presented the Council Meeting Minutes of December 8, 2016, and requested changes or corrections. There were minor corrections noted. Upon motion by the Chair, seconded by Carolee Smith, the aforementioned Minutes were unanimously approved and adopted.

TREASURER'S REPORT

The Chair noted that there was not a quorum for a prior electronic vote on the proposed fiscal 2017 budget and that a vote was still needed. A slightly revised version of the proposed budget was then distributed to attendees.

Jackie Cook described changes to the Section budget as of 12/31/16. Most changes related to reconciling expenses that straddled two fiscal years. These included September 2016 and October 2016 expenses that the SBM had recorded differently than the Taxation Section, such as payments to the Section's program facilitator. The Chair noted that some expenses would still be recorded in fiscal 2017 and a new box has been added to the bottom of the proposed budget to reflect carryover items. The purpose of the new box is to track expenditures in order to avoid future double counting. It was also noted that cash on hand had been adjusted to reflect the SBM's records. In addition, it was noted that the L. Wright Hart Fund is shown in cash on hand, but is then subtracted out because that cash is not available for use by the Section.

Jackie noted that the SBM had provided information on the amount of dues received by the Section and those amounts have been recorded in the Section's records. Cash on hand is currently \$112,332.

Ryan Peruski highlighted that Wayne State University had billed the SBM directly for the upcoming presentation by Sen. Carl Levin being co-hosted with the International Law Section. Ryan has emailed the SBM about billing the Section for its allocable portion of these costs.

Sean Cook made motion to approve the fiscal 2017 budget, seconded by Andrew MacLeod. There was unanimous approval.

COUNCIL ACTIVITIES

1. **Strategic Planning – James Combs/Katie Wilbur**

James Combs was present and gave a report. The Chair noted that an updated version of the strategic plan had been circulated and this plan would be voted on. James and Council walked through the most recent changes and a discussion ensued. The discussion also addressed the topic of diversity in the Section, which had arisen in the context of the Annual Tax Conference, and the addition of a diversity initiative to the strategic plan.

Ryan Peruski commented on lists of committee members being assembled by the chairs of the Section's committees. A discussion of the use of SBM Connect by Section members ensued.

The strategic plan was put to a vote, with a motion by Jackie Cook, seconded by Carolee Smith. There was unanimous approval.

2. Social Media / Communications – Katie Wilbur

Katie Wilbur was not present and did not provide a report.

3. Michigan Tax Lawyer – Katie Wilbur/Andrew MacLeod

Andrew MacLeod was present and provided a report. The next issue of the Michigan Tax Lawyer is nearing completion, but committee reports are still outstanding. Andrew noted that the Spring issue will involve FIT and SALT articles.

4. Michigan Bar Journal Liaison / Tax Court Lunch – Sean Cook

Sean Cook was present and provided a report. Sean noted that the January edition of the Michigan Bar Journal will advertise the Sen. Levin presentation. Subsequent editions will advertise the upcoming Tax Court Luncheon and the Annual Tax Conference.

Sean reported that Tax Court Judge Buch would join the Section for a Tax Court luncheon to be held at 11:30 a.m. on March 30, 2017. Possible venues and the associated costs were discussed. Sean noted that his firm had volunteered to sponsor the luncheon.

5. Annual Tax Conference – William Lentine (2017); Andrea Crumback (2018)

Bill Lentine was not present, but submitted a written report on the 2017 Annual Tax Conference. The Chair discussed Council's need to confirm approval of ICLE's engagement for the 2017 Annual Tax Conference. Jeff Kirkey gave background on the agreement between ICLE and the Taxation Section. Jeff previously had discussions with Bill Lentine regarding ICLE's engagement and had revised the contract pursuant to that discussion. Jeff then departed the meeting room in order to permit Council to discuss the ICLE contract. A discussion of the proposed contract ensued. James Combs made a

motion to approve ICLE's engagement for \$12,000 for the 2017 Annual Tax Conference and for approval for the Section's officers to negotiate and execute the contract. Andrea Crumback seconded this motion and there was unanimous approval.

Jeff Kirkey reported that confirmation had been received for all speakers except one and that ICLE would begin advertising the conference the following day. Jeff summarized the schedule of speakers for the conference and the topics that they would present.

Andrea Crumback was present, but did not have a formal report. She is coordinating with Bill Lentine with respect to the 2018 Annual Tax Conference planning.

The Chair raised the issue of the venue for the 2018 conference, which is currently scheduled for May 24, 2018, at the St. John's Inn. The Chair noted that Council may want to consider an alternative venue. Council discussed alternative venues and agreed to explore a possible venue change. Andrea will follow up on whether the venue should change.

6. Federal & State Legislative Update and Public Policy Liaison – Michael Monaghan

Mike Monaghan was present and gave a report. Mike discussed the Trump/Republican tax reform plans, the outlook for midterm elections, and the potential impact of upcoming House and Senate races on tax reform.

Mike noted an extension of the micro-captive reporting deadline to May 1, 2017, and that the reporting is applicable to both taxpayers and their material advisers. Mike commented that the definition of "material adviser" is broad and there are list maintenance requirements. Mike also reported on the recent GE Tax Department/PWC "on-boarding" transaction, the introduction of a House bill to repeal the *Chevron* doctrine (which can give deference to IRS regulations), and the partnership audit rules (which states are considering adopting). Mike noted that the ABA Tax Conference will be held in Washington, D.C. from May 11- May 13.

Carolee Smith gave a state tax update on the introduction of a bill to eliminate the state income tax.

7. Annual Meeting – Paul McCord

Paul McCord was not present and did not provide a written report.

8. ICLE – Jeff Kirkey

Jeff Kirkey was present and reported that the Tax Law Series webcasts. Three of 4 have been recorded, and will record one more on February 7th. John Swift will take over administration of this program on behalf of ICLE.

9. Grant Program – Mindi Johnson

Mindi Johnson was present and provided a report on the grant program. Mindi will be soliciting grant applications starting the beginning of February 2017, and will finish by the end of March. The Chair proposed the formation of a grant program committee and asked Andrea Crumbach and Mike Monaghan to join, with Mindi being the chair. Mike and Andrea accepted.

10. Pro Bono Project/Community Service Initiative Coordinator – Josh Wease

Josh Wease was not present and did not provide a written report.

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

Eric Skinner and Rob Heitmeyer were not present and did not submit a written report.

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

George Gregory was not present and did not submit a written report.

13. State Bar of Michigan Liaison Report – Shenique Moss

Shenique Moss reported that there was an upcoming Board of Commissioners meeting and that, at that meeting, she could raise any issues timely identified to her by members of the Section.

14. YLS Liaison Report – Ryan Peruski

Ryan Peruski was present, but did not have a report. He noted that he coordinates with Shenique Moss on Young Lawyers Section events. Shenique described various events that the Young Lawyers Section puts on, including an event at Crystal Mountain for which sponsors and presenters are being sought.

15. Program Facilitator Report – Jano Barney

Jano Barney was not present and did not submit a written report.

COMMITTEE ACTIVITIES

The Chair included in the packet circulated to Council and Committee Chairs for the meeting an updated event schedule and reminded Committee Chairs to provide dates for events.

1. Employee Benefits – Brian Gallagher

Brian Gallagher was not present, but submitted a written report. Brian noted that he has scheduled tentative dates and locations for committee events and is considering opportunities to partner with the Business Law Section.

2. Estates and Trusts – Thomas Fabbri

Thomas Fabbri was present and provided a report. He noted that estate planning is currently in flux on account of political factors. He reported that the Estates and Trusts committee held an event in November 2016 to discuss planning in a low interest rate environment. There was also a speaker on cross-border issues. This event was well-attended. Tom also noted that an article on the Section 2704 regulations will be published in an upcoming issue of the Michigan Tax Lawyer.

3. Federal Income Tax – Jon Baloch

Jon Baloch was present and submitted a report. He has been in touch with Professor Reuven Avi-Yonah about speaking on tax reform. Jon has also had discussions with Courtney Wallace about presenting on behalf of the FIT committee.

4. Practice and Procedure – Marcy Rosen

Marcy Rosen was not present, but submitted a written report. The practice and procedure committee will hold a social mixer in Detroit on April 20, 2017, and is planning to hold another event with Eric Skinner on IRS Campaigns.

5. State and Local Taxation – Dan Stanley

Dan Stanley was present and provided a report. He is co-sponsoring a lunch with the Administrative Law Section, with a presentation by Judge Lasher. Dan is also working on scheduling a SALT mixer in September 2017.

6. Young Tax Lawyers – Ryan Peruski

Ryan Peruski was present and provided a report. He noted that the Senator Levin event would be held following this Council meeting. He also hopes to hold the second round of the Young Tax Lawyers committee's signature event, which is a presentation on practicing tax law by experienced tax attorneys, on March 23, 2017.

OLD BUSINESS

- Committee pages on SBM connect. Andrew MacLeod has forward the SBM various materials and he is working on getting SBM Connect training by the SBM for the Section.

- Policies and Procedures Manual. The first meeting to revise the policies and procedures manual will be held at ICLE's office in Ann Arbor on January 24, 2017. There is an open invitation to Council members to attend.

NEW BUSINESS.

None

There being no additional business, a motion to adjourn was made by Andrea Crumback, seconded by Andrew MacLeod. The meeting was adjourned at approximately 5:09 p.m.

Respectfully submitted,



James H. Combs
Secretary