

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

**January 18, 2018**

A regular meeting of the Council of the State Bar of Michigan Taxation Section was held on January 18, 2018, at 9 a.m. at the offices of Honigman Miller Schwartz and Cohn LLP, 660 Woodward Ave, Suite 2290, Detroit, Michigan. Carolee Kvoriak Smith, Chairperson of the Taxation Section, presided.

**COUNCIL MEMBERS PRESENT**

Alexander Domenicucci	Carolee Kvoriak Smith	Mindi Johnson
James Combs	Jackie Cook	Andrea Crumback
Andrew MacLeod	Brian Gallagher	Michael Monaghan
Ryan Peruski		

**COUNCIL MEMBERS ABSENT**

Sean Cook	William Lentine	Thomas Fabbri
Joshua Wease		

**COMMITTEE CHAIRPERSONS PRESENT**

Eric Gregory	Rebecca Pugliesi	Daniel Stanley
Nick Monterosso		

**COMMITTEE CHAIRPERSONS ABSENT**

Jon Baloch		
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**OTHERS PRESENT**

Max Mathies	Mary Owiesny	Shenique Moss
Mary Hennessey	John Arendshorst	Josh Lowenthal

Mr. Combs, on behalf of the Chair, called the meeting to order at 9:22 a.m.

**MINUTES OF PRIOR COUNCIL MEETING**

Mr. Combs presented the Council Meeting Minutes of December 7, 2017. After proposed revisions, Mr. Gallagher motioned to approve and Mr. Peruski seconded.

## TREASURER'S REPORT

Mr. Combs presented an update on budget for the 2017-2018 fiscal year attached as Attachment A. Mr. Combs noted that a number of revenue and expense items were reflected on the interim budgets, including (i) revenue and associated expenses from the Fundamentals of Taxation program, (ii) revenue and associated expenses for an Employee Benefits Committee event, and (iii) a significant portion of dues.

Mr. Combs noted that the budget also reflected expenses incurred for the holiday party, for the Taxation Section coordinator, and miscellaneous items. Mr. Combs further noted that the 2016-2017 budget did not reflect the Fundamentals of Taxation program, but the 2017-2018 budget did. Based on the discussion of the second Fundamentals of Taxation possibly taking place in August or September of 2018, this could result in additional revenues and expense, not presently budgeted, for the program.

Mr. Combs also noted that the State Bar had sent updated membership information, indicating that there was an increase in 7 active members from 2016 to 2017 (1206 to 1213). Overall, total members declined from 1235 to 1231 in that period, with the bulk being attributable to memberships attributable to law students (which declined by 10, from 19 to 9). Mr. Combs suggested further review of the membership figures to gain more insight into the make-up of the membership.

Finally, Mr. Combs noted that former Taxation Section Chair Wayne Roberts had emailed regarding the Taxation Section considering re-joining the National Association of State Bar Taxation Sections conference/CLE in October (typically the week prior to Halloween with the location alternating between San Francisco and Washington DC). Costs for the registration, travel, and hotel expenses typically were approximately \$2,000 - \$2,500 and NASBTS annual membership fees are approximately \$500-\$600.

Mr. Gregory noted that historically vice chair had gone and described the conference. He believed it was worthwhile.

Jackie Cook asked about the Mackinac program (Bar Leadership Forum) as compared to the NASBTS. Ms. Cook suggested asking previous chairs about their experiences. Ms. Cook noted that there was a perception that the NASBTS was more substantive and less about what other tax sections were doing. Ms. Cook noted potential consideration of alternating years. Mr. Domenicucci attended the Mackinac program previously and Ms. Cook planned to attend Mackinac this year. Ms. Cook proposed having Council discuss which program Mr. Combs will attend next year. Mr. Peruski noted the benefit of having interaction with other Sections at Mackinac. Ms. Cook noted factors to balance in choosing. The Chair also discussed budgetary issues for sending Council members to both.

## COUNCIL ACTIVITIES

1. Strategic Planning – Ryan Peruski

Mr. Peruski was present and provided a report. Mr. Peruski's report is noted below.

2. Public Communications – Brian Gallagher

Mr. Gallagher was present and provided a report. He noted that he is working on SBM Connect. Facebook has been quiet and Mr. Gallagher encouraged joining the page. He is working on getting administrative rights to the Section's social media websites from Katie Roskam

3. Michigan Tax Lawyer – Mindi Johnson

Ms. Johnson was present and reported that the next issue of the *MTL* is currently being printed and will be mailed out this week. The subsequent edition expected to be published in April. Messrs. Gregory and Monterosso have worked with her on the upcoming issue.

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

Ms. Smith noted that she connected with Sean Cook about Tax Council participation as he has many other commitments. Mr. Cook will help with the annual dinner. Mr. Baloch will help with the Tuesday February 13, 2018 Tax Court luncheon to be held at Book Cadillac. Ms. Smith expects to send out an e-blast. There is an expected \$25 charge and the luncheon will be free for students. Mr. Cook will revisit his files regarding the prior Tax Court luncheon re: e-blast and other details. Mr. Peruski recommended including links to SBM Connect in the e-blast. There is a potential issue with Tax Section member's receipt of e-blasts, which will be investigated.

5. Annual Tax Conference

2018 – Andrea Crumback/Jeff Kirkey:

Ms. Crumback was present and reported that we lost one of the speakers for the program. The State Budget Director will not be speaking since he is leaving the office in March. She noted the opportunity to add in a speaker on tax reform. Ms. Crumback noted that she and Ms. Smith discussed a panel on SALT impact from federal tax reform, possibly with June Summers Haas. Brochures are going to print, so comments on the foregoing were requested. Other speakers were discussed as well. A discussion of a separate federal tax reform event (see old business below) as a separate item ensued. Ms. Smith noted that there could be presentations to other Sections and Mr. MacLeod noted having a section event was important. Ms. Smith noted that she anticipates a federal tax reform event before the May meeting. Mr. MacLeod magnanimously expressed willingness to organize such a presentation with a speaker and/or panel. Mr. Monaghan noted that tools are being developed to discuss the tax reform, but the Act is so comprehensive that it takes a lot of time to discuss the law itself and planning

opportunities. There was also a discussion of a program on legal responses (document changes). Mr. MacLeod proposed a subcommittee to review and was willing to consider a series of events. Mr. Monterosso volunteered to participate.

There was a discussion of pricing for the Annual Tax Conference and participation of state government employees. Ms. Crumback suggested a discount or offering the program for free to these folks. There was support for a discount, with Mr. Peruski being a particularly vocal proponent. Ms. Moss noted that the discount would be great and there was also a subsidy for those who can't afford it. It was noted that State Court judges are comped already. Other cost saving measures were discussed for the program. It was agreed that these would be issues for future programs to consider. Ms. Crumback noted sponsorship issues and requested that law firms consider sponsoring \$1,000.

2019 – Michael Monaghan:

Mike Monaghan was present and reported that Inn at St. John is not locked down for 2019 and Council tabled discussion of the 2019 Annual tax Conference.

A proposal was made for a subcommittee on the Tax Conference plus adding a February 2018 Council meeting.

6. Federal & State Legislative Update and Public Policy Liaison – Andrew MacLeod

Mr. MacLeod was present. This discussion was tabled. A subcommittee will be formed for federal tax reform. A quick note was made regarding the new proposed partnership.

7. Annual Meeting – Sean Cook

The Annual Meeting was discussed above in connection with the Tax Court Luncheon.

8. ICLE – Jeff Kirkey

Mr. Mathies was present and reported on the Tax Law Series. Next week there will be a SALT program. In February, there will be a federal tax program.

9. Grant Program – Tom Fabbri

Mr. Fabbri was not present and did not provide a report.

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

Mr. Wease was not present and did not provide a report.

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

Messrs. Skinner and Heitmeyer were not present and did not provide a report.

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

Mr. Gregory was present, but did not provide a report.

13. State Bar of Michigan Liaison Report – Shenique Moss

Ms. Moss was present and reported that there is a Young Lawyers Summit planned for June 15-17, 2018, at the Inn at Bay Harbor.

14. Program Facilitator Report – Mary Owiesny

Ms. Owiesny was present, but did not provide a report.

## COMMITTEE ACTIVITIES

1. Federal Income Tax – Jon Baloch

Mr. Baloch was not present and did not provide a report. Mr. Lowenthal reported that there will be a March 7, 2018 event on IRC Section 280E, which will be held at Honigman's Detroit offices. There will be three speakers and the panel is seeking IRS participation.

2. Employee Benefits – Eric Gregory

Mr. Gregory was present and reported that the Employee Benefits committee will hold an event next week on welfare plans and updates. There will also be a committee event, a cocktail hour, to be held in Grand Rapids on April 26, 2017.

3. Estates and Trusts – Nick Monterosso

Mr. Monterosso was present and reported that the Estates and Trust Committee will be holding a February 8, 2018 event on Charitable Planning under Tax Reform. The event will be held between 5p.m.-7:30 p.m., possibly in Troy.

4. State and Local Taxation – Daniel Stanley

Mr. Stanley was present and reported that he had been trying to get tax opinions on the website. The SALT committee is holding a meet and greet event next week being in Lansing. He is also on a S.B. 540 task force with Mr. Gregory (George) and Paul McCord. Mr. Gregory (George) recommended including Dennis Mitzel on the task force. Treasury previously opposed this bill and Mr. Stanley will follow up on the reasons for this. Finally, Mr. Stanley noted that cert had been granted on a major state tax case on internet sales.

5. Young Tax Lawyers – Rebecca Pugliesi

Ms. Pugliesi reported that the YTL was holding an event tonight, with an M&A tax panel comprised of Mr. Combs, Kurt Piwko and former Chairperson of the SBM Section of Taxation, Mr. Michael Antovski. Ms. Pugliesi is working with vice chair Mary Hennessey on a social event to be held in Detroit. Ms. Smith noted the meet the Vice Chairs event could be coordinated with this and it could also be a meet the Chairs event too.

### OLD BUSINESS

Old business discussed, in part as identified above, included the following items:

- SB 540/HB 4976 – Informal Conference Process. HB 4976 passed and was signed.
- Federal Tax Reform – Event(s)? Covered above.
- Acceptable Use Policy Tabled
- Optional Community Property Statute Tabled
- Strategic Plan Review – Ryan Peruski Mr. Peruski noted that there are action items in the Strategic Plan that can be presented in February. He emailed the Strategic Plan to Council and the committees and noted 1-year anniversary of adoption. Mr. Peruski noted the 4 missions outlined in the plan, then under the missions there are goals, and then each goal further has an action item/task that are assigned to specific people. Mr. Peruski requested reports for quarterly updates from Council and the Committees so he will be able to be report on what is being accomplished. No report regarding his interaction with Rick Friar of the Ohio State Bar tax section. For the Fundamentals program, he has reserved two room at Honigman’s Detroit office for October 25, 2018.

### NEW BUSINESS

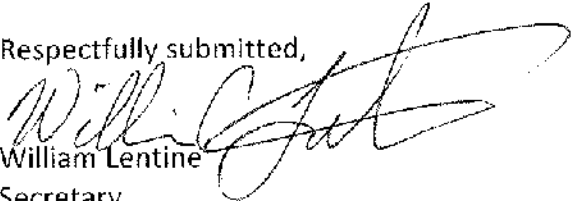
- MSU Alternative Spring Break

Ms. Smith reported that Mr. Wease asked her to circulate a mailing to our membership. The officers decided not to solicit our membership on behalf of other groups. Nevertheless, Ms. Smith noted that it was considered a worthy cause and that she will mention it in a Chair letter. Council will also consider how to handle these types of items in the Section’s acceptable use policy. Mr. Wease had added a blurb in the MTL to promote this endeavor. Ms. Smith noted that Officers proposed a grant to this program, from the Section, of \$500. Discussion ensued. A motion to approve the grant was made by Mr. Gallagher, seconded by Mr. Peruski. The Council approved the grant unanimously.

Mr. Gallagher requested folks read the acceptable use policy and comment.

There being no additional business, a motion to adjourn was made by Mr. Gallagher, seconded by Mr. Peruski. The meeting was adjourned at approximately 11:17 a.m.

Respectfully submitted,

  
William Lentine  
Secretary