

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

March 12, 2015

A regular meeting of the Council of the State Bar of Michigan Taxation Section was held on March 12, 2015, at 9:10 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

James Combs	William Lentine	Paul McCord
Carolee Smith	Alex Domenicucci	Michael Antovski
Jackie Cook	Marjorie Gell	Gina Staudacher
Lynn Gandhi	Joe Pia	

COUNCIL MEMBERS ABSENT

Marla Carew	Frank Hencke	Tammie Tischler

COMMITTEE CHAIRPERSONS PRESENT

George Gregory	Jack Panitch	Andrew McLeod
Katie Wilbur	Mickey Bartlett	

COMMITTEE CHAIRPERSONS ABSENT

OTHERS PRESENT

Brian Figot	Jeff Kirkey	Richard Siriani

The Chair called the meeting to order at 9:10 am.

MINUTES

The Council Meeting Minutes of January 22, 2015, were presented. A number of minor revisions were suggested. Upon motion by Alex Domenicucci, seconded by Michael Antovski, the aforementioned Minutes, as amended, were unanimously approved and adopted.

TREASURER'S REPORT

The budget for the three months ended February 28, 2015 was presented. Dues have increased – we are getting closer to budget. A number of committees have submitted expense and Gina Staudacher hosted a successful tax court luncheon. Overall, Treasurer Domenicucci believes we are in good shape.

Upon motion by Jackie Cook, seconded by Bill Lentine, the aforementioned budget was approved and adopted.

COUNCIL ACTIVITIES

1. Strategic Planning – Jackie Cook

See discussion under Old Business.

2. Social Media / Communications – Marla Carew

Marla Carew was absent and did not submit a report.

3. Michigan Tax Lawyer – William Lentine

The Winter volume of the Michigan Tax Lawyer will be going shortly. Bill thanked Marjorie for her assistance in securing two more articles.

So far there is only one commitment for the Spring volume. Topics for this volume are Practice & Procedure and Federal Income Tax. This volume will also include advertisements for sponsors. The Spring volume will also contain a number of important tax cases issued by the Court of Appeals in honor of its 50th anniversary.

Bill needs commitments for the Fall volume. Topics for the Fall volume are Employee Benefits and Estates and Trusts.

James tried to put an article on the Social Science Research Network but unsuccessful. He suspects we are not a supported group. Bill Lentine suggested calling to see if that can be changed.

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

The State Bar does not publish an April issue of the Michigan Bar Journal (issues directory instead). Gina Staudacher will contact Linda Novak regarding upcoming issues.

Approximately 25 people attended the Tax Court Lunch on February 3, 2015 at the London Chop House. Kudos to Gina for pulling this off in just a week. It was very well attended and the judge was very appreciative. The next Tax Court Luncheon will be June 23, 2015 with Judge Joseph Gayle. Place TBD.

5. Tax Conference

a. 2015

Everything is ready for the 2015 Annual Tax Conference. At present, there are 17 people registered to attend in person, 2 over webcast. The first mailing went out earlier this year – two more will go out before May. Marjorie encouraged everyone to send a personal note, asking people to attend. Brian Figot will assemble a list of students to receive awards. Marjorie reminded everyone to RSVP for the speaker dinner on May 20, 2015. Council discussed whether we should hire a photographer to take pictures.

Stephanie Stenberg has now turned her attention to the ICLE studio webcasts. 17 registered at Plymouth – 2 webcast

b. 2016

The 2016 Tax Conference is tentatively scheduled for May 26, 2016 at the Inn at St. John's.

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

Frank Henke was absent and did not submit a report.

7. Annual Meeting – Joe Pia

Joe Pia reported that he will reach out to the student group from Country Day that will be playing at the Annual Meeting.

8. ICLE – Stephanie Stenberg / Marla Carew

Stephanie Stenberg reported that 233 people have watched the webcast on transfer taxes, have watched the transfer taxes, 197 people watched the webcast on state tax controversies, 187 people watched the webcast on IRS criminal investigations and only 23 people watched the webcast on estates and trusts – but this one was just released. It tends to be the most popular webcast.

Stephanie continues to refine the studio webcast format. She is applying adult learning techniques. She has found that breaking subject matter down to 10 minute segments and having a dedicated moderator works well.

9. Grant Program – Paul McCord

Paul sent seven grant applications to various groups. They are due March 25, 2015. Once receive, Marla Carew, Alex Domenicucci and Paul will evaluate them. This year, we plan on granting \$5,000 – this amount does not have to be evenly spread over all recipients.

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

Paul reported that there will training this summer in the form of a webinar put together by the two low income tax clinics and the University of Michigan.

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

Neither Eric Skinner or Rob Heitmeyer were in attendance and neither submitted a report.

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

George Gregory was absent but submitted a written report (attached to these Minutes).

13. State Bar of Michigan Liaison Report – Richard Siriani

Rick reminded us that we need to contact the State Bar of Michigan before we submit oral or written positions on legislative matters. Under Supreme Court Administrative Order 2004-1, we must disclose our position to the State Bar of Michigan before proceeding.

As a result of voluntary dues issue a year or so ago, the State Bar is now extremely sensitive to this issue and the Michigan Supreme Court is extra vigilant. Council members asked Rick for more clarification regarding the order. For instance, does it apply if we have an older policy already in place? It was also suggested that perhaps we have a dedicated page on our website to log instances of legislative activity.

This will be further discussed at our June 23, 2015 meeting. In the meantime, we will give this further thought. Peter Cunningham will also join us at an upcoming meeting to elaborate further.

14. Program Facilitator Report – Brian Figot

Brian reported that the SBM Connect is now live. Events can be inputted on the calendar. He encouraged everyone to contribute. Marjorie attended a leadership meeting on SBM Connect – she reported that the State Bar knows there are issues and they continue to work in. Jack Panitch commented that we should be able to delete our own posts.

There was also a discussion about whether our old list serve should continue, as well as a discussion of ways to make sure all of our membership continues to get emails.

15. Committee Activities

a. Federal Income Tax – Andrew MacLeod

Andrew reported that the Federal Income Tax committee held a meeting on March 5, 2015. Mike Monaghan and Kirk Piwko of Plante Moran presented “S Corporation M&A Issues.” A networking event was held after the presentation. The meeting was informative and well attended and the participants particularly enjoyed the networking event. Andrew took pictures and will forward them on.

Andrew also reported that there is an upcoming event on May 7, 2015 at 4 pm. Alex Martin, the head of Clayton & McKerverey, P.C.’s transfer pricing practice will present “An Insider’s Guide to Transfer Pricing.” This event will take place at Dickinson Wright’s Detroit office, followed by another networking event.

b. Employee Benefits – Mickey Bartlett

Mickey reported that she is still in the process of setting up events for this year.

c. Estates and Trusts – Sean Cook

Sean reported that he is in the process of setting up an event that provides an update on ACTEC as well as an event regarding trust issues, possibly presented by Plante and Moran. He further reported that some new members have joined the committee. Council further discussed the fact that the State Bar has put together a survey for all members to see what committees they want to join.

d. Practice and Procedure – Jack Panitch

Jack reported that there will be an event on March 31, 2015 at 3 pm at Varnum’s Novi office. Eric Nemeth will present on the new IRS offense on global practices.

Council also discussed a recent request from Eastern District Judge Matt Leitman for an amicus brief regarding alter ego issues. Judge Leitman felt that neither party did a good job of briefing the issues so reached to the Tax Section for further clarification.

Jack described the case in general and discussed the fact that the law runs the gamut on this particular issue, with a wide range of application in the district courts. Jack also noted that “alter ego” theory is a widely used enforcement method. Finally, because this case is at the eastern district rather than the 6th Circuit, Jack did not feel it would be a good use of resources. Judge Leitman appreciated our input even though we declined to proceed.

e. State and Local Taxation – Andrea Crumback

Andrea was absent and did not submit a report.

f. Young Tax Lawyers – Katie Wilbur

Katie reported that the Young Tax Lawyers held an event in early February at the Midtown Brewery. There will be another event at the Detroit Brew Pub on April 2.

Katie further reported the Tax Section now has a Facebook page. Brian will “friend” Katie so he can be an administrator /moderator.

OLD BUSINESS

1. Past Chair Advisory Group

Marjorie thanked the Past Chair Advisory Group for their report on Senate Bill 100.

2. Taxation Section Lifetime Achievement Award

Deadline for submitting nominations has been extended to April 1. So far we have received about 20 nominations.

3. Strategic Planning Initiative

Jackie reported that her plan is to get a framework in place, delineating the Tax Section’s goals and then setting forth some strategic efforts we can make to accomplish those goals. She has submitted a very rough draft, currently being considered by Michael and Marjorie. Jackie also encouraged the rest of the Council to submit ideas.

NEW BUSINESS

1. “Meet the Players” – June 18, 2015

Scheduled for Thursday, June 18, 2015 at 5:30 pm at the Cascades Country Club in Grand Rapids. Admission will be \$25. Legislators will be invited and a quartet will be there for entertainment. There will be a mailing and an email announcing the event, and the details will be on our website.

2. Court of Appeals 50th Anniversary

This occurs in April. It has been suggested that we check out the Court's website for details.

3. Amicus Request

See discussion above under Jack's report.

4. Committee Roster Project

Brian is collecting names to update our committee rosters.

5. In Memoriam

A motion was made by Majorie for a memorial for Tammie Tischler's husband. Carolee Smith seconded the motion and it was unanimously approved. The Tax Section will donate \$200 to the charity chosen by Tammie's family.

6. Comment project

James is working on a comment project regarding Code Section 368 – more details to come.

7. LinkedIn / Facebook

Discuss further at next meeting what is appropriate content for both pages. Katie reported that right now, privacy settings are set as high as possible. No one can just randomly post. Also, self-promotion should not be allowed. This topic will be discussed at further meeting.

8. Sales Tax eFile

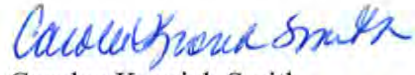
Sales tax eFile service is now mandatory but it keeps crashing. Council members inquired as to whether Treasury can provide interest and penalty relief if a taxpayer misses a deadline because the eFile system crashed.

9. Next Meeting

The next meeting will be Tuesday, June 23, 2015 at Bodman's Detroit office at 9 am.

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

Respectfully submitted,



Carolee Kvoriak Smith
Secretary