

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

October 17, 2019

A regular meeting of the Council of the State Bar of Michigan Taxation Section was held on October 17, 2019, at 9 a.m. at the Honigman law office in Detroit Michigan. Mr. James Combs, Chairperson of the Taxation Section, presided.

COUNCIL MEMBERS PRESENT

James Combs	Rebecca Pugliesi	Jackie Cook
William Lentine	Erick Hosner	Joshua Wease
Andrew MacLeod	Eric Gregory	
Michael Monaghan	Ryan Peruski	
Brian Gallagher	Stephanie LaFave	

COUNCIL MEMBERS ABSENT

Sean Cook		
Mindi Johnson		

COMMITTEE CHAIRPERSONS PRESENT

Allison Stelter		
Josh Lowenthal		
Nick Papasifakis		

COMMITTEE CHAIRPERSONS ABSENT

Lena Gionnette	Andrea Crumback	

OTHERS PRESENT

Neal Nusholtz	Buzz Leach	
Chris Attar	Jeff Kirkey	
Negah McKevitt	Adrean Taylor	

Mr. Combs called the meeting to order at 9:08 a.m. A quorum was determined to be present.

Mr. Combs made introductions of people taking on new roles. He applauded the job that Jackie did in the prior year. He indicated that he would like the Tax Council to build on the success from the prior year and add a few initiatives.

Mr. Combs referred to the proposed Minutes of Regular Meeting dated September 18, 2019 and after review and discussion thereof, it was proposed (after noting that quorum is present), that the minutes, as revised to reflect the correction of minor typographical errors, be approved with Mr. Gallagher making the motion and Mr. Lentine seconding the motion, the minutes were then approved and adopted.

TREASURER'S REPORT

Mr. Lentine and Mr. MacLeod reported on financial matters. Mr. Lentine indicated that in the prior year revenues were up and expenses were down, resulting in a cash balance of around \$102,000, which was up from approximately \$90,000 in the prior year. Mr. Lentine indicated that we would not have a final accounting until November, which is typical as the State Bar needs time to close the year. Certain expenses from the Conference are still being accumulated. Mr. Lentine noted that the increase in cash balance is good news for most organizations, but that we really need to spend to find meaningful activities for members. Mr. Combs concurred.

Mr. MacLeod summarized the proposed budget for the upcoming year. He indicated that budgets had been increased to encourage Committee chairs to find meaningful activities. He also indicated that there would be a \$3,000 savings associated with not mailing out physical copies of the Tax Lawyer. A \$5,000 net cost was budgeted for the annual tax conference, after examining the three-year history with respect to the conference. It was noted that the 2019 conference made money. However, in prior years, the Taxation Section had net out-of-pocket expenses of \$5,500 and \$10,000 respectively. The proposed budget included revenues of \$38,300 and expenses of \$70,950 for a deficit of \$32,650. Mr. MacLeod again noted that the deficit often does not materialize since the Taxation Section typically does not spend all of its budgeted expenses. The budgeted loss is less than what was projected last year. A motion was made by Ms. Pugliesi to approve the budget that was seconded by Mr. Gallagher. The motion was unanimously approved by Tax Council.

COUNCIL ACTIVITIES

1. Mary Owiesny Contract – James Combs

Mr. Combs discussed extending Mary Owiesny's contract for another year on the same terms. Mr. Lentine offered a motion to extend the contract which was seconded by Mr. Gallagher. The Tax Council voted unanimously to extend the contract.

2. Strategic Planning – Eric Gregory and Ryan Peruski

Mr. Peruski noted that a Strategic Plan 2.0 was included in the meeting materials. Mr. Ryan Peruski noted that he worked with Mr. Combs to determine action items and goals for the Strategic Plan. Tactics were also noted to achieve the goals.

Mr. Combs noted that he would like to write comments this year, particularly in the federal area relating to matters such as proposed regulations. Mr. Gregory noted that Mr. Peruski had laid a good foundation related to Strategic Planning.

Mr. Peruski made a motion to approve the Strategic Plan that was seconded by Mr. Gallagher. The motion passed unanimously by Tax Council.

3. Public Communications – Stephanie LaFave

Ms. LaFave was present at the meeting. Mr. Combs noted that the Taxation Section was attempting to get activities posted on Linked in.

4. Michigan Tax Lawyer – Erick Hosner and Mindi Johnson

Ms. Johnson was not present, but provided a written report noting that indicated that she is working with the authors to finalize their articles on the next edition of the *Michigan Tax Lawyer*. This will be the Taxation Section's first electronic version of the *Michigan Tax Lawyer*. The edition will include four articles and will include a copy of the *Tomra* Amicus Brief.

Mr. Hosner noted that he is prepared to take over the editing of the *Michigan Tax Lawyer*. He will be reaching out to Committee Chairs for articles. The Strategic Plan will likely be posted in that next edition. Mr. Combs asked the Council to volunteer articles for the publication. Mr. Combs also noted that the Taxation Section might explore seeking outside assistance to assist with editing of the *Michigan Tax Lawyer*.

5. Annual Tax Dinner / Tax Court Lunch – Stephanie LaFave

Ms. LaFave was present at the meeting and indicated there would be a report at the next meeting.

6. Annual Tax Conference – Brian Gallagher and Rebecca Pugliesi

Mr. Gallagher reported that he is working on topics and speakers for the 2020 Tax Conference. He noted that the agenda needed to be finalized in approximately one month. Mr. Gallagher noted that the plenary sessions have largely been scheduled. He noted that, in particular, he is looking for a speaker for cannabis. Council noted some suggestions. He also noted that we are looking for suggestions for the Early Bird Session, which typically is a session that qualifies for Accounting CPE. Mr. Combs noted that maybe we discuss valuation issues in the income tax context. Mr. Monaghan suggested

that maybe we go back to an Ethics presentation that would include a valuation component.

Mr. Gallagher reported that he is hoping to get some assistance in rounding out the agenda. In particular, he needs assistance from the Federal Income Tax and SALT Committees. Mr. Gallagher also noted that he is looking for sponsors for the 2020 Tax Conference. It was noted that prior year sponsors were Plante Moran (Platinum), Chemical Bank (Gold), Fraser Trebilcock (Silver) and Wolters Kluwer (Silver). Ms. Pugliesi also asked that we ask for sponsors for the 2021 Tax Conference since the timing is a little awkward in sponsors' budget cycles.

7. Fundamentals of Taxation – Rebecca Pugliesi

Ms. Pugliesi provided an update on the Fundamentals of Taxation event. There is a core track but also different more specialized tracks, such as M&A and SALT. The event is November 13. Ms. Pugliesi also asked that Council Members recruit attendees for the event.

8. Legislative Update and Public Policy Liaison – Sean Cook

Sean Cook was not present and did not provide a report.

9. Grant Program – Mindi Johnson

Ms. Johnson was not present at the meeting. Mr. Combs briefly summarized the grant program.

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

Mr. Wease noted that a pro bono clinic is scheduled for October 22. This will be a multidisciplinary clinic that will include experts from several different areas of taxation. Mr. Wease also indicated that he has been attempting to schedule a student outreach program with Wayne State, but has had some difficulty since his contacts are no longer at the school. He is considering alternatives such as moving the event to the U of D Mercy Law School or the University of Michigan Law School if he can't lock in Wayne State soon. Mr. Wease is also working with students and Andrea Crumback on a project related to collection due process for the State of Michigan.

11. Membership Outreach – Ryan Peruski

Mr. Peruski also noted that he felt that the event at Michigan State University went very well in the prior year. Mr. Peruski also noted that we are only seeing 150 out of 1250 Taxation Section members at events on an annual basis. His mission is to grow the Taxation Section and attempt to get more people at events. He also is generating a brief

summary to provide Committee Chairs a roadmap of items to consider when planning an event. He also wants to track individuals and firms at various events.

12. Probate and Estate Planning Section Liaison Report – Neal Nusholtz

Mr. Nusholtz was present and reported on a technical issue dealing with an estate planning issue when the drafter is related to the beneficiary.

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

Mr. Skinner and Mr. Heitmeyer were not present, and no report was provided.

14. State Bar of Michigan Liaison Report - TBD

Mr. Combs noted that we do not currently have a liaison to the State Bar.

COMMITTEE ACTIVITIES

15. Estates and Trusts – Nick Papasifakis

Mr. Papasifakis was present and noted that a networking event is being planned for December 5 in Royal Oak. It was noted that Kathleen Cieslik has become the Vice chair of the Committee.

16. State and Local Taxation – Andrea Crumback

Ms. Crumback was not present. Mr. Stanley was also not present as the prior chair of the Committee, but Ms. Cook noted a well-attended committee event that was held on Wednesday, September 4th in Lansing. It was noted that Ms. Negah McKeivitt has become the Vice Chair of the Committee.

17. Federal Income Tax – Allison Stelter

Allison Stelter was present. It was noted that Buzz Leach has become the Vice Chair of the Committee.

18. Employee Benefits – Lena Gionnette

Ms. Gionnette was not present, and no report was provided. It was noted that Adrean Taylor has become the Vice Chair of the Committee.

19. Young Tax Lawyers – Josh Lowenthal

Mr. Lowenthal noted that the Committee is currently working on events. Ms. Pugliesi reported that she is planning an event following the Fundamentals of Taxation program. It was noted that Chris Attar has become the Vice Chair of the Committee.

OLD BUSINESS

NASBTS, October 25-26, 2019

Mr. Combs indicated that we likely will not be sending a representative to the National Association of State Bar Tax Sections ("NASBTS") conference to be held in Washington D.C. on October 25-26, 2019.

NEW BUSINESS

Content for Tax in the Great Lakes State

Mr. Combs noted that we are looking for content for the next publication of the e-newsletter "Tax in the Great Lakes State." He also is trying to profile tax practitioners.

Federal Tax Comment Project

Mr. Combs indicated that he would like the Taxation Section to submit comment letters during the upcoming year, particularly in the federal tax area. Mr. Combs indicated that it was important for the Section to have a voice in how law is shaped, similar to other organizations.

Property Tax Assistance Project

The project was briefly noted.

Future Meetings

Mr. Combs stated that he was encouraging people to attend meetings in person this year. He also has established video conference capabilities, and asked people to join via phone as a last resort. He also indicated that he has attempted to schedule events at a variety of locations

Holiday Event

Mr. Combs noted that a Tax Council meeting is scheduled for December 12 in Royal Oak. The event will be followed by a Holiday Cheer. Mr. Combs encouraged everyone to attempt to attend the event.

There being no other business, Mr. Combs requested a motion to adjourn the meeting with such motion being made by Mr. MacLeod and seconded by Mr. Gallagher, and such motion was approved unanimously.

The meeting was adjourned at approximately 10:48 a.m.

Respectfully submitted,

Michael P. Monaghan

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Secretary