

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

September 24, 2015

A regular meeting of the Council of the State Bar of Michigan Taxation Section was held on September 24, 2015, at 3:12 pm at Townsend Hotel at 100 Townsend St, Birmingham, Michigan. Marjorie Gell, Chairperson of the Taxation Section, presided.

COUNCIL MEMBERS PRESENT

Michael Antovski	Marjorie Gell	Joe Pia
Tammie Tischler	Alex Domenicucci	James Combs
Paul McCord	Carolee Kvoriak Smith	Jackie Cook
Lynn Gandhi	Marla Carew	

COUNCIL MEMBERS ABSENT

William Lentine	Regina Staudacher	Sean Cook
Joshua Wease		

COMMITTEE CHAIRPERSONS PRESENT

Brian Gallagher	Katie Wilbur	

COMMITTEE CHAIRPERSONS ABSENT

Jack Panitch	Andrew McLeod	Andrea Crumback

OTHERS PRESENT

Rich Siriani	Brian Figot	George Gregory
Jeff Kirkey	Eric Skinner	

The Chair called the meeting to order at 3:12 pm.

MINUTES

The Council Meeting Minutes of June 23, 2015, were presented. Upon motion by Richard Siriani, seconded by Tammie Tischler, the aforementioned Minutes, as amended, were unanimously approved and adopted.

TREASURER'S REPORT

The budget for the eight months ended August 31, 2015 was presented. Revenue exceeded expenses and overall, the budget is in good shape. As of August 31, 2015, the Tax Section has about \$98,000 in cash on hand. Expenses still outstanding include the bill from ICLE for the Annual Tax Conference and the expenses for this meeting.

Upon motion by Rick Siriani, seconded by Joe Pia, the aforementioned budget was approved and adopted.

COUNCIL ACTIVITIES

1. Strategic Planning – Jackie Cook

Jackie Cook reported that the sub-committee on strategic planning was still reviewing the strategic plan.

2. Social Media / Communications – Marla Carew

Marla Carew arrived later, did not have anything new to report.

3. Michigan Tax Lawyer – William Lentine

Bill Lentine could not attend due to the birth of his new daughter but he reports that we will have a very full issue of the MTL this fall. Publication is set for mid-October. Please send committee reports to Bill by early October.

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

Gina Staudacher was not present and did not submit a report. Others who attended the Tax Court Lunch on June 23, 2015 reported that it was well attended with a great speaker.

5. Annual Tax Conference – James Combs / Tammie Tischler

a. 2015

James Combs reported that, overall, the 2015 Annual Tax Conference went smoothly, other than a few overdue deadlines and the usual last-minute speaker cancellations. Overall attendance was down (perhaps due to timing) but

sponsorship revenue was up. Honigman and Omega may not be willing to sponsor in 2016, so we should start looking to replace them. Also, none of the speakers could attend the dinner the night before the conference.

James suggested fewer afternoon sessions to keep them from being so sparsely attended. Marjorie Gell also suggested that perhaps the co-chair for a particular conference should handle the sponsorships – Carolee Smith pointed out that is actually the called-for procedure in our policy and procedures. Potential sponsors for 2016 were discussing, including Citizens Research Council, Lawgic, Lexis / Nexis and Westlaw.

b. 2016

Next year's conference will be on May 19, 2016. Tammie Tischler reported that she is working on a preliminary schedule, starting line up speakers. The conference will still be at the Inn at St. John's in Plymouth and will start at 9 am instead of 8:30 am. James suggested skipping the idea of implementing a theme – too difficult.

Marjorie noted that 2017 is the 60th anniversary of the Tax Section – we may want to commemorate that at the 2017 Annual Tax Conference.

6. Federal & State Legislative Update and Public Policy Liaison – Josh Wease

Joshua Wease was not present – Lynn Gandhi gave an update on both federal and state. There was not much to report on federal except to report that legislation for federal tax extenders has been introduced. With respect to state, road funding has been the largest topic of debate.

The unions are drumming up support for a ballot initiative to increase the corporate income tax rate from 6% to 11%. This initiative would repeal the existing corporate income tax act in its entirety and re-enact it as a new act, meaning that any future changes require a two-thirds votes in both the House and the Senate because it would be a tax act enacted by public referendum.

The Michigan Department of Treasury has issued a number of draft Revenue Administrative Bulletins in an effort to provide more guidance. Lynn encouraged Tax Council members to pay attention to the quality of these RABs, watch for “cherry-picking” of authority and respond with comments.

7. Annual Meeting – Joe Pia

Thank you to Joe Pia for all his hard work on this year's Annual Meeting, which he promises is going to be very nice (and it was).

8. ICLE – Jeff Kirkey / Joe Pia

Joe Pia announced the following upcoming ICLE tax webinars: a) state tax controversies b) tax aspects of divorce c) an inside look into the IRS appeals process d) estate planning tax controversies for 2016

9. Grant Program – Paul McCord

Paul McCord reported that checks in the process of being issued in the following amounts for the following organizations: U of M low income tax clinic - \$1500, MSU low income tax clinic - \$1500, the Accounting Aid Society- \$1000 and Legal Services of Eastern Michigan - \$1000.

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

Paul McCord reported favorably on the pro bono / community service initiative – last year's referral numbers are expected to be exceeded. There is still a need for additional pro bono attorneys.

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

Eric Skinner announced the upcoming Tax Court docket for Detroit: 1) Judge Carolyn Chiechi on Monday, November 2 and 2) Judge Buch on Monday, February 1.

Eric also discussed the announced LB&I restructuring – continuous audits will be a thing of the past, as well as coordinated issues. Instead, LB&I will be conducting more issue focused audits, called “campaigns.”

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

George Gregory shared the latest developments in probate and estate planning and circulated a report from the Probate and Estate Planning Section (attached).

13. State Bar of Michigan Liaison Report – Richard Siriani

Rick Siriani had nothing to report at this time. The Board of Commissioners will be meeting at the annual meeting in October. Rick recommended everyone attend the convention October 7,8 and 9 in Novi at the Suburban Collection.

14. Program Facilitator Report – Brian Figot

New material will soon be added to SBM connect. It will also be realigned to be more user friendly.

15. Committee Activities

a. Federal Income Tax – Andrew MacLeod

Andrew MacLeod was not here and did not submit a report.

b. Employee Benefits – Brian Gallagher

Brian Gallagher reported that there is an Employee Benefits committee meeting tomorrow in Detroit. He further reported that discussions are ongoing with various groups regarding sponsoring joint events. He is also updating his committee membership list.

c. Estates and Trusts – Sean Cook

Sean Cook reported that the Estates and Trusts committee held a meeting on June 30, 2015 with Plante & Moran on compliance and other related issues with foreign trusts. George reported that it was a great meeting!

Sean is considering the following topics for the next meeting: 1) basis reporting rules, 2) 1041 compliance or 3) an ACTEAC update.

d. Practice and Procedure – Jack Panitch

Jack Panitch did not attend but submitted a report. The next Practice and Procedure event is Meet the Players in Grand Rapids on October 22, 2015. This event will be co-sponsored with the MiCPAs and the SALT committee.

e. State and Local Taxation – Andrea Crumback

Andrea Crumback did not attend but submitted a report. The SALT mixer held on August 13, 2015 at Dykema's Lansing office was a big success with record attendance. Scheduling it in the second week of August seems to have made a difference, less conflict with vacations.

f. Young Tax Lawyers – Katie Wilbur

Katie Wilbur reported that attendance at the Young Tax Lawyers events continue to grow – the last one was in early summer in Detroit. Katie is considering organizing a drafting operating agreement clinic for young tax lawyers.

Katie also reminded everyone to let her know about events and she will get them out on Facebook.

Brian also reminded everyone to send contacts for committees and he will keep a list.

OLD BUSINESS

1. "Meet the Players" – discussed above

NEW BUSINESS

1. The Joint Michigan Tax Conference with MICPA will be held on November 4 at the Suburban Showcase in Novi.
2. Marjorie advised that we were missing a past dean from our letterhead - L. Hart Wright, a professor at University of Michigan law chair. Mr. Wright was chair in the sixties and was probably one of the most prominent chairs we ever had. Marjorie is going to write an article about him.

Marjorie further proposed that an award should be given to honor Mr. Wright. This award would be funded by a donation from a private foundation in the amount of \$3,000 to pay for plaques. The award would be given by the outgoing Chair, at his or her discretion, for exemplary service to the chair and would be called the L. Hart Wright Chair's Service Award. The amount donated would have to be segregated from state bar funds.

Carolee Smith made a motion to create the award, Michael Antovski seconded. Motion carried unanimously.

There being no additional business, a motion to adjourn was made by Michael Antovski, seconded by Jackie Cook. The meeting was adjourned at approximately 4:19 pm.

Respectfully submitted,



Carolee Kvorik Smith
Secretary