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Taxation Section
State Bar of Michigan
306 Townsend Street, Lansing, Mich. 48904

1975-76 OFFICERS AND COUNCIL MEMBERS

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John N. Seaman	Lansing
James M. Sheridan	Muskegon
Robert W. Siegel	Southfield
Lawrence J. Murphy	Southfield
Jack E. Mitchell, Ex-Officio	Detroit

MINUTES OF REGULAR MEETING OF
COUNCIL OF TAXATION SECTION OF
STATE BAR OF MICHIGAN

Pursuant to the approved January 29, 1976 minutes and to Chairman Louis W. Kasischke's April 26, 1976 reminder with agenda (copy attached), a meeting of the Council was held in a private dining room at the University Club, 3435 Forest Road, East Lansing, Michigan on April 29, 1976 beginning at 6 p.m.

Present:	Louis W. Kasischke	Jack E. Mitchell
	Robert B. Pierce	Lawrence J. Murphy
	Ernest Getz	Joel Resnick
	John P. Herrinton	John E. Riecker
	John L. King	John N. Seaman
	John W. McNeil	Robert W. Siegel

Pursuant to the October 30, 1975 and January 29, 1976 resolutions of the Council, present by invitation of the chairman was a representative of the Michigan Association of Certified Public Accountants: Leonard G. Velick, Velick & Haas, Southfield, Michigan - Vice Chairman Federal Taxation Committee.

The chairman noted that the meeting had been scheduled to begin at 4 p.m. and thanked the four members who had arrived timely for their patience, understanding and lack of a quorum.

The eight other tardy members congratulated their chauffeur Jack Mitchell for his coolness under adversity and for his demonstrated abilities as a Dodge motor home mechanic during the 3:15 to 4:50 p.m. interlude on I-96 between Howell and Fowlerville. A front right tire blowout coupled with two immovable wheel nuts constituted the challenge. The East Lansing fire chief, the Howell state policeman, and Joe's Wrecker Service were mentioned for their help.

Tax Tribunal Committee Report. John Herrinton reported that the Michigan Tax Tribunal rules have been published in the February 1976 issue of the Michigan State Bar Journal, 147-166; and that a letter will be prepared by him for mailing to the members of the Tax Tribunal Committee and other volunteers seeking identification of problem areas and solutions in the administration of the Tax Tribunal Act.

Single Business Tax Committee Report. Jack Mitchell reported that he had been receiving reports and recommendations from committee members on proposed technical amendments. He will prepare a letter for mailing to members of the Michigan single business tax committee and a letter to the ad hoc committee of the legislative and executive branch to reaffirm its intentions regarding a technical amendments bill, to be followed by a meeting.

Ernest Getz led a discussion on the feasibility of a declaratory judgment suit for the purposes of clarifying the several areas of disagreement between the Michigan Department of Treasury Revenue Division and taxpayers in the interpretation of the Michigan single business tax and related acts. The suit would obtain judicial rulings which would provide guidance for the legislature in its enactment of appropriate amendments to achieve any intended results that may have been frustrated by the

judicial rulings. Clarifications and amendments during 1976 would reduce potential multiplicity of litigation and ease the burden of administration problems.

The concept was favorably received. The chairman appointed a committee consisting of Ernest Getz, Louis Kasischke and John King, and Leonard Velick of the Michigan Association of Certified Public Accountants to study the matter further and to submit specific recommendations to the Council.

Michigan Tax Procedures Manual. Larry Murphy distributed to the meeting a copy of the proposed table of contents which was favorably received. Prospective authors of the various sections of the manual will be contacted. The chairman appointed an editorial committee consisting of Ernest Getz, Louis Kasischke, Larry Murphy, and Frank Pollock and Gerald L. Langwerowski of the Michigan Association of Certified Public Accountants.

Annual Meeting. John Seaman reported that the annual meeting is scheduled for Wednesday, September 15, 1976 as a part of the annual meeting of the State Bar of Michigan. James A. Park will speak on the Michigan Tax Tribunal. A "Meet the Press" type of presentation on the Michigan single business tax act will be presented. Burns Stanley of Ford Motor Company and Dr. James W. Haughey of the Office of Revenue and Tax Analysis of the State Department of Management and Budget will be invited to participate as the interviewers.

Wayne Law Review Symposium on Michigan Single Business Tax Act. The symposium will consist of ten articles on various aspects of the act and is scheduled to be published late this summer. The matter of the Taxation Section furnishing a copy of the issue to each member was discussed.

Negotiations with the Wayne Law Review staff will be conducted with a view to arranging for pre-publication orders from the members and for minimizing the cost to the members. The following resolution was unanimously adopted:

RESOLVED, that the Taxation Section will subsidize the cost of the 1976 Wayne Law Review Symposium on the Michigan single business tax act to its members in an amount not to exceed \$1 per copy.

Library Study Committee. John Seaman and John Riecker reported on their survey of the Michigan State Law Library taxation services, books and periodicals. They recommended that the Taxation Section finance the acquisition of (1) Bureau of National Affairs Tax Management series of portfolios on U.S. Income, Foreign Income, and Estates, Gifts, Trusts; (2) Research Institute of America Tax Coordinator and (3) a second subscription to the New York University Tax Law Review. The library is willing to loan items by mailing them or to mail photocopies of requested sections of items that must not be removed from the library. Publicity through the Michigan State Bar Journal and through the Taxation Section Tax Newsletter will be prepared to notify the members of what tax research tools are available at the Michigan State Law Library and the ways and means of borrowing them. The following resolution was unanimously adopted:

RESOLVED, that the Taxation Section will finance the initial purchase and annual supplements by the Michigan State Law Library located in the Law Building, Lansing, Michigan, of the Bureau of National Affairs Tax Management series of portfolios on U.S. Income, Foreign Income, and Estates, Gifts, Trusts;

FURTHER RESOLVED, that the committee is authorized to reimburse the Law Library for related expenses not to exceed \$50.

Proposed Legislation to Grant Legal Fees to Successful Private Adversaries of the Federal Government in Various Legal Forums. The chairman reported that George E. Bushnell, Jr., as president of the State Bar of Michigan again had requested a report to the Board of Commissioners on this matter. The following resolution was adopted with John King and Robert Siegel opposed:

RESOLVED, that the Council takes no position at this time on HR 6296-S 2871, the proposed legislation to grant legal fees to successful private adversaries of the federal government in various legal forums.

Employee Benefits Committee. The chairman led a discussion on George I. Whitfield's January 17, 1976 letter to the chairman, a copy of which had been mailed to each council member. Mr. Whitfield recommends serious consideration of the immediate formation of an employee benefits committee. The following resolution was unanimously adopted:

RESOLVED, that the Council favors the formation of an employee benefits committee to pursue the objectives outlined in George I. Whitfield's January 17, 1976 to Chairman Louis W. Kasischke.

The chairman appointed George I. Whitfield as chairman of the committee with authority to appoint its members.

Tax Officials' Directory. The September 1976 Taxation Section Tax Newsletter will contain an updating of the directory initially published in the January-March 1975 issue.

Annual Report Memoranda. The chairman emphasized the importance of the Taxation Section annual report to the Board of Commissioners and its publication in the Michigan State Bar Journal. He requested that each committee chairman submit a written report to the chairman for use in the preparation of his annual report, not later than May 10, 1976.

Professional Corporation Legislation. Robert Siegel reported that he had met with State Senator Daniel W. Cooper on the matter of an amendment permitting trusts to hold stock of professional corporations. Mr. Siegel solicited drafting and political help in achieving this desired result.

The following resolution was unanimously adopted, John Seaman abstaining:

RESOLVED, that John Seaman is commended for arranging the excellent meeting facilities and dinner at the East Lansing University Club and for his superb performance as the host.

The dinner meeting was adjourned at 8:35 p.m.

MICHIGAN TAX PROCEDURES MANUAL

Table of Contents

- I. Prelitigation Administrative Procedures
 - A. Single Business Tax
 - B. Income Tax
 - C. Sales and Use Tax
 - D. Property Tax
 - E. Inheritance Tax
 - F. Intangible Tax
 - G. Miscellaneous Taxes

- II. Selection of Forum
 - A. Forums available
 - B. Jurisdiction and Authority
 - C. Factors affecting choice

- III. Rules and Procedures - State Tax Tribunal
 - A. General Provisions
 - B. Pleadings
 - C. Prehearing Procedures
 - D. Hearing Procedures
 - E. Post hearing Procedures
 - F. Miscellaneous

- IV. Rules and Procedures - Other Courts with Tax Jurisdiction
 - A. Court of Claims
 - B. Ingham County Circuit Court
 - C. Probate Court
 - D. Michigan Court of Appeals

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V. Appendixes

- A. Statutes
- B. Rules
- C. Sample Forms
- D. Names, addresses, phone numbers of State
and Court administrators
- E. Table of Cases
- F. General Index

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Tax Newsletter

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