

NEW YORK STATE BAR ASSOCIATION



NYSBA

Tax Section Annual Report

January 28, 2014



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William L. McRae

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Peter J. Connors

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Paul R. Comeau
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New York City Taxes

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Pass-Through Entities

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Real Property

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Reorganizations

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Spin Offs

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Karen Gilbreath Sowell

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Andrew P. Solomon

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**New York State Bar Association
Tax Section
Annual Report for the 2013 Year
January 28, 2014**

Good afternoon.

One of the responsibilities of the Chair of the Tax Section is to present to this group at this lunch an Annual Report about what the Tax Section actually did over the last year, and I am very pleased to submit that report to you today.

This has been unusual year. Diana Wollman (who is going to speak in a minute) actually served as Chair of the Tax Section this past year until early September-when she left private practice and went to work at the Internal Revenue Service.

Under our by-laws, with Diana's departure, I took over as Chair and will have the privilege (although some may say curse) of serving as Chair of the Tax Section through next January (at which point I will have the opportunity to speak to this group again).

Two things clearly flow from all this. First, the Annual Report for 2013 is as much Diana's report to give as it is mine as she deserves credit for most of what is in it. Second, if ever there were a year for the Chair's remarks at this lunch to be brief, it is this year.

So, I plan to keep my remarks to a minimum and will be handing the microphone to Diana in a minute. But, before I do, I am going to spend a few minutes to explain a bit about what we do in the hope of getting even more of you involved and to thank a few people.

The primary thing the Tax Section does is write reports that recommend changes in the tax law. Some of our reports comment on proposed regulations, some respond to specific questions we receive from the government about what we think about a particular issue or area, and some reports are not solicited by the government at all but relate to matters that we think the government should address.

Our process for preparing is rigorous. While one person is typically in charge of writing a report, the scope and recommendations of a report are typically developed over the course of several months by a fairly large working group. When the working group is done, the report is then vetted (and I mean vetted) by the Tax Section's Executive Committee. Once the Executive Committee is done, the report is finalized by an administrative committee consisting of the four officers of the Tax Section.

A couple of things typically result from this process. First and foremost, our reports tend to be pretty good and (I hope) of value to the people in government.

Second, the people involved with a report typically learn a ton—both those who start off knowing almost nothing about the topic and those who are true experts in the field. Accordingly, our reports are quite rewarding—both to those who read them and to those involved in preparing them.

Looking back at the last year, our reports can fairly be divided into three groups. The first group of reports focuses on New York State tax issues. This year we submitted two reports suggesting changes relating to NY State collection efforts and a third report considering whether it would be Constitutional for NY State to make certain changes to the way it taxes certain trusts.

The second group of reports involve tax issues confronted by taxpayers (and their advisors) in fairly mainstream transactions, including tax free spinoffs, M&A transactions where the target has some pre-paid income (which actually comes up all of the time), debt issuances by corporations in a variety of circumstances, and partnership workouts.

The third group involves tax rules where the number of words in the tax code is wholly out of proportion to the complexity of the issues involved and the need for Treasury and the IRS to issue guidance filling in the gaps. Here, of course, I'm talking about FATCA and (to a lesser degree) the not-so-new medicare tax under Section 1411.

I would like to close by offering some thanks.

First, I would like to thank the entire Executive Committee and, in particular, all of those who volunteered to draft a report or serve on a working group.

I would also like to thank my fellow officers (including co-chairs)--Jodi Schwartz, Andy Needham, Diana Wollman, David Sicular, Stephen Land and Michael Farber.

Third, let me thank Pat Johnson, Lori Nicholl and Catheryn Teeter of the New York State Bar Association, for all of their professional support through the year.

Finally, I would like to thank my assistant, Patricia Lane, who has helped me with a bunch of the less glamorous aspects to being chair, including getting the reports out the door and generally making sure that things with the tax section stayed on track.

David H. Schnabel

Chair

Appendix A

CLE Programs

NYSBA

Tax Section Annual Meeting

TUESDAY, JANUARY 22, 2013
Hilton New York
1335 Avenue of the Americas
New York City

MORNING PANELS
9:15 A.M. and 10:45 A.M.
Rendezvous Ballroom and Trianon Ballroom, 3rd Floor

DUTCH TREAT RECEPTION
12:00 P.M.
Grand Ballroom Foyer, 3rd Floor

LUNCHEON
12:30 P.M.
Grand Ballroom, 3rd Floor

AFTERNOON PANEL
2:15 P.M.
Grand Ballroom, 3rd Floor

AFTERNOON STATE & LOCAL MEETING
4:15 P.M.
Lincoln Suite, 4th Floor

Section Chair
Andrew W. Needham
Cravath, Swaine & Moore LLP
New York City



This program is co-sponsored by The New York Bar Foundation



SCHEDULE OF EVENTS

Morning Program

9:00 - 9:15 a.m. **Business Meeting and Election of Officers** - Trianon Ballroom, 3rd Floor

9:15 - 10:30 a.m. **Circular 230: Beyond the Legend** (1.5 Ethics)

Rendezvous Ballroom, 3rd Floor

Panel Chair: **Kathleen Ferrell**
Davis Polk & Wardwell LLP, New York City

Panelists: **Edward E. Gonzalez**
Skadden, Arps, Slate, Meagher & Flom LLP, New York City

Karen Hawkins
Director, Office of Professional Responsibility, Internal Revenue Service, Washington, D.C.

Elizabeth T. Kessenides
Principal, Berdon LLP, New York City

Mario Verdolini
Davis Polk & Wardwell LLP, New York City

9:15 - 10:30 a.m. **Current Developments in Partnership Tax** (1.5 Professional Practice)

Trianon Ballroom, 3rd Floor

Panel Chair: **Eric Sloan**
Deloitte Tax LLP, Washington, D.C.

Panelists: **Jennifer Alexander**
Office of Tax Legislative Counsel, U.S. Department of the Treasury, Washington, D.C.

James R. Brown
Willkie Farr & Gallagher LLP, New York City

Curt Wilson
Associate Chief Counsel (Passthroughs & Special Industries), Internal Revenue Service, Washington, D.C.

10:45 - 12:00 p.m. **Current Topics in Corporate Tax** (1.5 Professional Practice)

Rendezvous Ballroom, 3rd Floor

Panel Chair: **Karen Gilbreath Sowell**
Ernst & Young LLP, Washington, D.C.

Panelists: **William D. Alexander**
Associate Chief Counsel (Corporate), Internal Revenue Service, Washington, D.C.

Lauren Angelilli
Cravath, Swaine & Moore LLP, New York City

Joshua M. Holmes
Wachtell, Lipton, Rosen & Katz, New York City

Lisa Zarlenga
Tax Legislative Counsel, U.S. Department of the Treasury, Washington, D.C.

NEW YORK STATE BAR ASSOCIATION

- 10:45 - 12:00 p.m.** **Nexus, Nexus: What's the Fuss All About?** (1.5 Professional Practice)
Trianon Ballroom, 3rd Floor
- Panel Chair:** **Arthur R. Rosen**
McDermott Will & Emery LLP, New York City
- Panelists:** **Michael Newmark**
Director, Tax Advocacy and Resolution Unit, NYC Department of Finance, New York City
- Richard Pomp**
Professor, University of Connecticut & New York University
- Shirley Sicilian**
General Counsel, Multistate Tax Commission
- Irwin M. Slomka**
Morrison & Foerster LLP, New York City
- 12:00 p.m.** **Dutch Treat Reception** - Grand Ballroom Foyer, 3rd Floor
- 12:30 p.m.** **Luncheon** - Grand Ballroom, 3rd Floor
- Annual Report to the Tax Section**
- Andrew W. Needham**
Chair, Tax Section
- Luncheon Speaker:** **Edward D. Kleinbard**
Professor of Law, University of Southern California, Gould School of Law
-

Afternoon Program Grand Ballroom, 3rd Floor

- 2:15 - 4:00 p.m.** **Hot Topics in International Tax (including FATCA)**
(2 Professional Practice)
- Panel Chair:** **Stephen B. Land**
Duval & Stachenfeld LLP, New York City
- Panelists:** **Andrew H. Braiterman**
Hughes Hubbard & Reed LLP, New York City
- Ronald Dabrowski**
Deputy Associate Chief Counsel (International), Internal Revenue Service,
Washington, D.C.
- Steven Musher**
Associate Chief Counsel (International), Internal Revenue Service, Washington, D.C.
- Philip Wagman**
Clifford Chance US LLP, New York City

AFTERNOON STATE & LOCAL MEETING

4:15 - 5:35 p.m.

High Tea with the Commissioners - Lincoln Suite, 4th Floor
New York State Tax Commissioner Mattox
New York State Tax Appeals Tribunal President/Commissioner Tully
New York City Tax Appeals Tribunal President/Commissioner Newman

Commissioners Mattox, Tully, and Newman (and members of their senior staffs) will discuss recent changes in their respective agencies, as well as their imminent and long-term plans. In this traditionally informal forum, members of the Tax Section will be able to share their thoughts with New York's top tax officials. (This meeting is not open to the press.)

NEW YORK STATE BAR ASSOCIATION Tax Section Executive Committee Officers for 2012 - 2013

ANDREW W. NEEDHAM
Chair

DIANA L. WOLLMAN
First Vice-Chair

DAVID H. SCHNABEL
Second Vice-Chair

DAVID R. SICULAR
Secretary

IMPORTANT INFORMATION

The New York State Bar Association's Meetings Department has been certified by the NYS Continuing Legal Education Board as an accredited provider of continuing legal education in the State of New York. **Under New York's MCLE rule**, this program has been approved for a total of up to 5 credit hours in professional practice. This meeting will not qualify for credit for newly admitted attorneys because it is not a basic practical skills program.

Discounts and Scholarships: New York State Bar Association members and non-members may apply for a discount or scholarship to attend this program, based on financial hardship. ***This discount applies to the educational portion of the program only.*** Under that policy, any member of our Association or non-member who has a genuine basis of his/her hardship, if approved, can receive a discount or scholarship, depending on the circumstances. Your application must be received at least ten days prior to the program. For more details, please contact Lori Nicoll at New York State Bar Association, One Elk Street, Albany, New York 12207.



Accommodations for Persons with Disabilities: NYSBA welcomes participation by individuals with disabilities. NYSBA is committed to complying with all applicable laws that prohibit discrimination against individuals on the basis of disability in the full and equal enjoyment of its goods, services, programs, activities, facilities, privileges, advantages, or accommodations. To request auxiliary aids or services or if you have any questions regarding accessibility, please contact Lori Nicoll at 518-487-5563.



For overnight room accommodations, please call the Hilton New York at 1-800-445-8667 and identify yourself as a member of the New York State Bar Association. Room rates are \$239.00 for single/double occupancy. Reservations must be made by Friday, December 21, 2012. You also can reserve your overnight room on the web at www.nysba.org/13accomm.



For questions about this specific program, please contact Lori Nicoll at 518-487-5563. **For registration questions only, please call 518-487-5621. Fax registration form to 518-463-5993.**



NYSBACLE

Tuesday, May 7, 2013
New York City

This course includes 7.0 hours of credit for the continuing professional education requirements of New York and New Jersey CPAs. New York sponsor number: 000026; New Jersey sponsor number 20CE0009900.



INCLUDES
1.0 ethics credits
See inside for more details.

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Co-sponsored by the Tax Section and the Committee on Continuing Legal Education of the New York State Bar Association, and by the New York State Department of Taxation and Finance



Program Description

The New York State Bar Association's Annual New York State and City Tax Institute has become nationally known over the years, and this year's Seventeenth Annual Institute will offer a comprehensive range of topics. This program will provide you with an advantageous opportunity to gain knowledge and insight regarding the direction that policy and law makers will take in the challenging months ahead.

Co-sponsored by the New York State Bar Association's Tax Section and Committee on Continuing Legal Education, and the New York State Department of Taxation and Finance, this full-day program will provide thorough coverage of upcoming and cutting-edge issues on the state and national levels, as well as ongoing concerns and topics, facing business executives and practitioners. The latest cases, regulations, rulings and developments, in the areas of combination, personal income taxation, investment capital, audit and enforcement initiatives, and ethical dilemmas, will be addressed.

During the program's lunch (which is included in the registration fee), the New York State and City Tax Commissioners have been invited to offer an update on the policies and procedures in their respective forums.

The panelists are prominent and experienced speakers from the bar and the government who will share with you their expertise and insight on current issues and trends.

Who Should Attend

Lawyers and CPAs who must advise clients on the latest policies, rulings, regulations and directives emanating from the New York State Department of Taxation and Finance and the New York City Department of Finance.

Agenda

8:15-8:45 a.m.	REGISTRATION (outside meeting room)	12:30-1:45 p.m.	LUNCHEON (included in registration fee) The Commissioners Speak Hon. Thomas H. Mattox (invited) Hon. David M. Frankel
8:45-9:00	INTRODUCTION AND WELCOME Diana L. Wollman, Esq. (Chair, NYSBA Tax Section)		
9:00-9:50	THE HOTTEST OF NATIONWIDE DEVELOPMENTS Richard Pomp, Esq. Douglas L. Lindholm, Esq.	1:45-2:30	WHAT'S HOT IN PERSONAL INCOME TAX Mark S. Klein, Esq. John Coniglio
9:50-10:45	RECENT CASE DEVELOPMENTS Timothy P. Noonan, Esq. Argi O'Leary, Esq.	2:30-2:45	COFFEE/SOFT DRINK BREAK
10:45-10:55	COFFEE BREAK	2:45-3:15	COMBINATION (AND DECOMBINATION) DEVELOPMENTS Leah Robinson, Esq. NYS Department of Taxation and Finance Representative TBA
10:55-11:30	RECENT LEGISLATIVE DEVELOPMENTS Hollis L. Hyans, Esq. Deborah R. Liebman, Esq.	3:15-3:45	WHAT IS INVESTMENT CAPITAL, ANYWAY? Peter L. Faber, Esq.
11:30-12:00 noon	TAX POLICY: WHAT'S IN STORE FOR THE FUTURE Joseph D. Henchman, Esq. Michael R. Hyman	3:45-4:30	AUDIT AND ENFORCEMENT INITIATIVES Carolyn Joy Lee, Esq. Nonie Manion Harry P. Leonard, Esq.
12:00-12:30 p.m.	THE POLITICS OF TAX INCENTIVES Heather C. Briccetti, Esq.	4:30-5:20	ETHICAL DILEMMAS Mark A. Simonetti, Esq. Jack Trachtenberg, Esq.
		5:20 p.m.	ADJOURNMENT

8.0 Credit Hours: 7.0 MCLE Credits Professional Practice; 1.0 Ethics

This **advanced-level** course may be used for New York MCLE credit by all attorneys, **excluding** those who are newly admitted (less than 24 months).

The New York State Bar Association's Committee on Continuing Legal Education has been certified by the New York State Continuing Legal Education Board as an accredited provider of continuing legal education in the State of New York.

This program has been approved for MCLE credit by the **State Bar of California** and the **Pennsylvania Continuing Legal Education Board** for 5.5 credit hours of substantive law and 1.0 of ethics. All inquiries regarding MCLE credits may be directed to (518) 487-5606.

This program has been approved by the **Board on Continuing Legal Education of the Supreme Court of New Jersey** for 8.0 hours of total CLE credit. Of these, 1.0 qualify as hours of credit for ethics/professionalism, and 0 qualify as hours of credit toward certification in civil trial law, criminal trial law, workers compensation law and/or matrimonial law. This course does not qualify under any of the nine specified new admit areas, in five of which New Jersey attorneys admitted in 2009 or thereafter, in their first full two-year compliance period, must take 15 of their 24 required credit hours (see BCLE Reg. 201:2).

CPE CREDIT: This course includes 7.0 hours of credit for the continuing professional education requirements of New York and New Jersey CPAs. New York sponsor number: 000026; New Jersey sponsor number 20CE0009900.

IMPORTANT NOTICE: PARTIAL CREDIT FOR PROGRAM SEGMENTS NOT ALLOWED. Under the New York State Continuing Legal Education Board Regulations and Guidelines, attendees at CLE programs cannot receive MCLE credit for a program segment unless they are present for the entire segment. Persons who arrive late, depart early, or are absent for any portion of the segment will not receive credit for that segment.

Program Faculty

Overall Planning Chairs and Coordinators

Paul R. Comeau, Esq.
Hodgson Russ LLP
New York City

Arthur R. Rosen, Esq.
McDermott Will
& Emery, LLP
New York City

Speakers (in alphabetical order)

Heather C. Briccetti, Esq., President and CEO, The Business Council of New York State, Albany * Paul R. Comeau, Esq., Hodgson Russ LLP, New York City * John Coniglio, Tax Auditor 3 Field Audit Management, Income Tax, NYS Department of Taxation and Finance, Albany * Peter L. Faber, Esq., McDermott Will & Emery, LLP New York City * Hon. David M. Frankel, Commissioner, NYC Department of Finance, New York City * Joseph D. Henchman, Esq., Vice President of Legal & State Projects, Tax Foundation, Washington, DC * Hollis L. Hyans, Esq., Morrison & Foerster LLP, New York City * Michael R. Hyman, Assistant Commissioner, Tax Policy, NYC Department of Finance, New York City * Mark S. Klein, Esq., Hodgson Russ LLP, New York City * Carolyn Joy Lee, Esq., Jones Day, New York City * Harry P. Leonard, Esq., Assistant Commissioner, Audit, NYC Department of Finance, New York City * Deborah R. Liebman, Esq., Deputy Counsel, NYS Department of Taxation and Finance, Albany * Douglas L. Lindholm, Esq., President and Executive Director, Council on State Taxation, Washington, DC * Nonie Manion, Director, Audit Division, NYS Department of Taxation and Finance, Albany * Hon. Thomas H. Mattox, Commissioner, NYS Department of Taxation and Finance, Albany (invited) * Timothy P. Noonan, Esq., Hodgson Russ LLP, New York City * Argi O'Leary, Esq., Assistant Deputy Commissioner, Litigation Strategy, NYS Department of Taxation and Finance, Albany * Richard Pomp, Esq., Alva P. Loisele Professor of Law, University of Connecticut Law School, Hartford, CT * Leah M. Robinson, Esq., McDermott Will & Emery, LLP, New York City * Arthur R. Rosen, Esq., McDermott Will & Emery, LLP, New York City * Marc A. Simonetti, Esq., Sutherland Asbill & Brennan LLP, New York City * Jack Trachtenberg, Esq., Sutherland Asbill & Brennan LLP, New York City * Diana L. Wollman, Esq., Sullivan & Cromwell LLP, New York City.

Information and Policies

Pre-registration Strongly Advised: You can save money and guarantee your seat and course materials by registering early. Registrations received or postmarked within 10 days of the event, or at the door, are subject to a higher registration fee. Seating is limited in all locations and registrations are taken on a first-come, first-served basis.

Cancellations are easy – full refunds are given: Your full registration fee will be refunded if you give us notice no later than the close of business (4:45 p.m. EST) on the day prior to the date of the program for which you registered. To cancel, write the State Bar Service Center at One Elk Street, Albany, New York 12207; or fax (518) 487-5618; or call (800) 582-2452. If you do not cancel and do not attend the program, access to a complete set of course materials in PDF format will be forwarded to you via e-mail in consideration of the registration fee. Non-registrants may purchase program materials after the final program date.

MCLE Credit: This program is acceptable for MCLE credit in New York and many other MCLE jurisdictions.

Tuition Assistance: New York Attorneys may apply for tuition assistance to attend this program based on financial hardship. Any New York attorney who has a genuine financial hardship may apply for tuition assistance for a CLE program by completing a *Tuition Assistance Request Form* and returning it to the CLE Department no later than five working days prior to the program, explaining the basis of his/her hardship. If granted, the attorney will receive tuition assistance, depending on the individual's circumstances. For more details, please contact our State Bar Service Center at (800) 582-2452.

Group Discounts: Subject to availability and exclusions, group discounts are available to law firms and organizations sending 3 or more employees to any one NYSBA CLE program. Please contact Jane Nielsen, at (518) 487-5586 for more information.

CLE Coupon Plan: For more information on our CLE Coupon Plan offering substantial savings on full-day, live programs, please contact the Registrar's Office at 1.800.582.2452.

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NYSBACLE



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Fax	518.463.5993
Pricing	NYSBA members: \$295.00 Non-members: \$395.00 NYSBA Student Members: \$45.00
Note	Registration fees for live programs increase ten days prior to the program date.

Source Code: CL4098



Section Chair
DIANA L. WOLLMAN, ESQ.
Sullivan & Cromwell LLP
New York City

NYSBA

Tax Section
Summer Meeting
The Rittenhouse Hotel
Philadelphia, Pennsylvania
June 28 – 30, 2013



Attendance at this meeting offers up to 6.5 NY
MCLE credit hours in Professional Practice for
experienced attorneys.

Important Information

Under New York's MCLE rule, this program has been approved for a total of up to 6.5 credit hours in professional practice. **This program will not qualify for credit for newly admitted attorneys because it is not a transitional basic practical skills program.**

ACCOMMODATIONS FOR PERSONS WITH DISABILITIES: NYSBA welcomes participation by individuals with disabilities. NYSBA is committed to complying with all applicable laws that prohibit discrimination against individuals on the basis of disability in the full and equal enjoyment of its goods, services, programs, activities, facilities, privileges, advantages, or accommodations. To request auxiliary aids or services, or if you have any questions regarding accessibility, please contact Catheryn Teeter at New York State Bar Association, One Elk Street, Albany, New York 12207 or cteeter@nysba.org.

DISCOUNTS AND SCHOLARSHIPS: New York State Bar Association members and non-members may apply for a discount or scholarship to attend this program, based on financial hardship. This discount applies to the educational portion of the program only. Under this policy, any member of our Association or non-member who has a genuine basis for his/her hardship, if approved, can receive a discount or scholarship, depending on the circumstances. To apply for a discount or scholarship, please send your request in writing to Catheryn Teeter at: New York State Bar Association, One Elk Street, Albany, New York 12207 or cteeter@nysba.org

SCHEDULE OF EVENTS

Friday, June 28

- 4:00 - 6:00 pm **General Registration** – Ballroom Foyer, 2nd Floor
- 6:00 - 7:30 pm **Cocktail Reception** – Ballroom Foyer East, 2nd Floor
- 7:30 - 9:00 pm **Dinner** – Ballroom South, 2nd Floor

Saturday, June 29

- 8:00 - 9:00 am **General Registration** – Ballroom Foyer, 2nd Floor
- 8:00 - 9:00 am **Continental Breakfast** – Ballroom Foyer East/Grand Salon, 2nd Floor
- GENERAL SESSIONS – North Ballroom, 2nd Floor**
- 9:00 - 9:10 am **New York State Bar Association Welcome**
David M. Schraver, Esq., President
- Tax Section Welcome**
Diana L. Wollman, Esq., Chair
Sullivan & Cromwell LLP
New York City
- 9:10 - 10:05 am **Making History: Fin48, Sub K Anti-Abuse Regs and Other Developments That Were Supposed To Change The World**
- Panel Chair:** Stephen E. Shay, Esq.
Harvard Law School
Cambridge, MA
- Panelists:** Richard D’Avino, Esq. Barret S. Johnson, Esq.
General Electric Co. Pitney Bowes Inc.
Stamford, CT Stamford, CT
- Dennis Ross, Esq.
State Street Corporation
Boston, MA
- 10:05 - 10:15 am **Coffee Break**
- 10:15 - 11:15 am **Sub C Hot Developments: Forming (or Breaking Up) a More Perfect Union**
- Panel Chair:** Deborah L. Paul, Esq.
Wachtell, Lipton, Rosen & Katz
New York City
- Panelists:** William D. Alexander, Esq. Davis J. Wang, Esq.
Internal Revenue Service Sullivan & Cromwell LLP
Washington, DC New York City
- Stephen DiBonaventura, Esq. Andrew W. Needham, Esq.
Duane Morris LLP Cravath, Swaine & Moore LLP
Philadelphia, PA New York City
- Curtis G. Wilson, Esq.
Internal Revenue Service
Washington, DC

SCHEDULE OF EVENTS

Saturday, June 29 *continued*

11:15 - 12:15 pm **A Union or a Confederacy: Why Can't We Decide Whether a Partnership is an Aggregate or an Entity?**

Panel Chair: **Edward E. Gonzalez, Esq.**
Skadden Arps Slate Meagher & Flom LLP
New York City

Panelists: **Kimberly S. Blanchard, Esq.** **Curtis G. Wilson, Esq.**
Weil, Gotshal & Manges LLP Internal Revenue Service
New York City Washington, DC

Philip B. Wright, Esq.
Bryan Cave LLP
St. Louis, MO

12:15 - 1:45 pm **State and Local Tax Luncheon (Attorneys Only):
The Founders Never Envisioned This: How States Are Struggling
To Adapt Their Tax Codes to the Digital Economy**
South Ballroom, 2nd Floor. Ticketed event.

Panel Chair: **Jack Trachtenberg, Esq.**
Sutherland Asbill & Brennan LLP
New York City

Panelists: **Cara Griffith, Esq., Editor in Chief** **Debra S. Herman, Esq.**
State Tax Publications, Tax Analysts Hodgson Russ LLP
Washington, DC New York City

Ferdinand S. Hogroian, Esq.
Council on State Taxation
Washington, DC

1:55 - 5:30 pm **Optional Tour: INDEPENDENCE HALL NATIONAL PARK**

On Saturday afternoon, as has become tradition, Tax Section member and noted historian, James S. Kaplan, will lead his Annual Historic Walking Tour – this year to the Independence National Historic Park and its surrounds. En route to our destination, before the group disembark's the tour bus for the National Park Service guided talk/tour of Independence Hall, Mr. Kaplan will discuss how the Declaration of Independence significantly began with two critical events in London in 1774. Mr. Kaplan will then discuss the fascinating events leading up to the signing of the Declaration of Independence (which was also in Philadelphia!), including the founding of Pennsylvania by William Penn, how Penn's treaty with Chief Tammany of the Delaware Indians laid the groundwork for the creation of the City of Philadelphia, and how Benjamin Franklin became one of the leading figures.

Tour pre-registrants should meet at 1:55 pm sharp in the hotel lobby to catch the bus to the Constitution Center to allow us time to go through security at Independence Square. The bus will depart from the Constitution Center, 525 Arch Street at 5:30 pm to return to the hotel.

7:00 - 10:00 pm **Reception & Dinner – Estia Restaurant, 1405 Locust Street**
Just a few blocks walk from the hotel, Estia Restaurant is known for its focus on the authentic flavors of Greek and Mediterranean cuisine.

Special Guest Dinner Speaker: Lee Sheppard, Esq., Contributing Editor of *Tax Notes*

SCHEDULE OF EVENTS

Sunday, June 30

8:00 - 9:30 am **Registration** – Ballroom Foyer, 2nd Floor

8:00 - 9:30 am **Executive Committee Breakfast Meeting** – The Parkview Room
Open to Executive Committee members and their spouses/guests only. Breakfast will be served beginning at 8:00 a.m. The Executive Committee meeting will begin at **8:30 a.m.**

8:00 - 9:30 am **Continental Breakfast** – Ballroom Foyer East, 2nd Floor
 For those not attending the Executive Committee Meeting

GENERAL SESSIONS – North Ballroom, 2nd Floor

9:30 - 10:45 am **Camp's Proposal To Revolutionize The Taxation of Financial Products**

Panel Chair: **Erika W. Nijenhuis, Esq.**
 Cleary Gottlieb Steen & Hamilton LLP
 New York City

Panelists: **David C. Garlock, Esq.**
 Ernst & Young
 Washington, DC

William L. McRae, Esq.
 Cleary Gottlieb Steen & Hamilton LLP
 New York City

Karl T. Walli, Esq.
 Financial Products
 Department of the Treasury
 Washington, DC

E. Ray Beeman, Esq.
 Tax Counsel & Special Advisor for Tax Reform
 to the Ways & Means Committee
 U.S. House of Representatives
 Washington, DC

10:45 – 11:00 am **Coffee Break**

11:00 – 11:50 am **All for One: Camp's Proposal To Combine the S Corp and Partnership Rules**

Panel Chair: **Jennifer H. Alexander, Esq.**
 Deloitte
 Washington, DC

Panelists: **Mark Gerson, Esq.**
 Office of Tax Legislative Counsel
 Department of the Treasury
 Washington, DC

Jeffrey D. Hochberg, Esq.
 Sullivan & Cromwell LLP
 New York City

Harold Hancock, Esq.
 Tax Counsel to the Ways & Means Committee
 U.S. House of Representatives
 Washington, DC

Mark E. Warren, Esq.
 Tax Counsel to the Ways & Means Committee
 U.S. House of Representatives
 Washington, DC

Aaron P. Nocjar, Esq.
 Steptoe & Johnson LLP
 Washington, DC

1:00 pm **Check Out**

Appendix B:

Reports

**NEW YORK STATE BAR ASSOCIATION
2013 TAX SECTION REPORTS**

REPORT NUMBER REPORT

- 1281** Report requesting guidance on an issue of longstanding uncertainty: the proper tax treatment by the buyer of the **assumption of a deferred revenue liability of the seller in a taxable asset acquisition of a business**, together with cover letter dated January 7, 2013 to Honorable Mark Mazur, Assistant Secretary for Tax Policy, Department of the Treasury, Steven Miller, Acting Commissioner, Internal Revenue Service , and Honorable William J. Wilkins, Chief Counsel, Internal Revenue Service, from Andrew W. Needham.
- 1282** Report addressing **the definitions of “FFI,” “financial account,”** and related terms in the final regulations under Sections 1471 through 1474 of the Internal Revenue Code (commonly referred to as **(“FATCA”)** issued on January 28, 2013 (the “Final Regulations”) together with cover letter dated April 29, 2013 to Honorable Mark Mazur, Assistant Secretary for Tax Policy, Department of the Treasury, Steven Miller, Acting Commissioner, Internal Revenue Service , and Honorable William J. Wilkins, Chief Counsel, Internal Revenue Service, from Diana L. Wollman.
- 1283** Letter dated May 14, 2013 submitting recommendations for the **2013-2014 Guidance Priority List** to Honorable Mark Mazur, Assistant Secretary for Tax Policy, Department of the Treasury, Steven Miller, Acting Commissioner, Internal Revenue Service , and Honorable William J. Wilkins, Chief Counsel, Internal Revenue Service, from Diana L. Wollman.
- 1284** Report on the **regulations proposed under Section 1411** of the Internal Revenue Code (the “Code”) on December 3, 2012 (the “Proposed Regulations”) together with cover letter dated May 15, 2013 to Honorable Mark Mazur, Assistant Secretary for Tax Policy, Department of the Treasury, Steven Miller, Acting Commissioner, Internal Revenue Service , and Honorable William J. Wilkins, Chief Counsel, Internal Revenue Service, from Diana L. Wollman.
- 1285** Report on the proposed regulations addressing the treatment under **Section 1411** of the Internal Revenue Code (the “Code”) of income and gains derived from the ownership of stock in a foreign corporation that is a “controlled foreign corporation” (a “CFC”) or a “passive foreign investment company” (a “PFIC”) (“Proposed Regulations 1.1411-10”) together with cover letter dated May 22, 2013 to Honorable Mark Mazur, Assistant Secretary for Tax Policy, Department of the Treasury, Daniel I. Werfel, Acting Commissioner, Internal Revenue Service, and Honorable William J. Wilkins, Chief Counsel, Internal Revenue Service from Diana L. Wollman.

- 1286** Report on the proposed regulations regarding the **tax treatment of noncompensatory partnership options** ("NCOs") issued by the Treasury Department and the Internal Revenue Service on February 5, 2013 (the "Proposed Regulations") together with cover letter dated May 22, 2013 to Honorable Mark Mazur, Assistant Secretary for Tax Policy, Department of the Treasury, Daniel I. Werfel, Acting Commissioner, Internal Revenue Service, and Honorable William J. Wilkins, Chief Counsel, Internal Revenue Service from Diana L. Wollman.
- 1287** Report commenting on the **treatment of currency gain as "subpart F income,"** and related issues, under selected circumstances together with cover letter dated June 3, 2013 to Honorable Mark Mazur, Assistant Secretary for Tax Policy, Department of the Treasury, Daniel I. Werfel, Acting Commissioner, Internal Revenue Service, and Honorable William J. Wilkins, Chief Counsel, Internal Revenue Service from Diana L. Wollman.
- 1288** Report suggesting administrative guidance be issued addressing the procedures for the collection of tax liabilities under **New York State tax law section 174-b** and related provisions together with cover letter dated June 5, 2013 to Honorable Thomas H. Mattox, Commissioner, New York State Department of Taxation and Finance from Diana L. Wollman.
- 1289** Report commenting on the proposed regulations (the "Proposed Regulations") addressing how the **section 108(a)** rules excluding from taxable income cancellation of indebtedness ("COD") income occurring in a Title 11 case (the "Title 11 Exception") or when the taxpayer is insolvent (the "Insolvency Exception") apply when the entity legally liable for the cancelled indebtedness is a grantor trust or a disregarded entity for U.S. federal income tax purposes together with cover letter June 25, 2013 to Honorable Mark Mazur, Assistant Secretary for Tax Policy, Department of the Treasury, Daniel I. Werfel, Acting Commissioner, Internal Revenue Service, and Honorable William J. Wilkins, Chief Counsel, Internal Revenue Service from Diana L. Wollman.
- 1290** Report on the **proposed corporate equity reduction transaction ("CERT") regulations** issued on September 13, 2012 (the "Proposed Regulations") together with cover letter dated September 9, 2013 to Honorable Mark Mazur, Assistant Secretary for Tax Policy, Department of the Treasury, Daniel I. Werfel, Acting Commissioner, Internal Revenue Service, and Honorable William J. Wilkins, Chief Counsel, Internal Revenue Service from Diana L. Wollman and Andrew W. Needham.
- 1291** Report discussing the **proposed regulations issued under Section 162(m)(6)** of the Internal Revenue Code on April 2, 2013 (the "Proposed Regulations") together with cover letter dated September 9, 2013 to Honorable Mark Mazur, Assistant Secretary for Tax Policy, Department of the Treasury, Daniel I. Werfel, Acting Commissioner, Internal Revenue Service, and Honorable William J. Wilkins, Chief Counsel, Internal Revenue Service

from Diana L. Wollman.

- 1292** Report addressing the appropriate role of the step transaction doctrine in determining the U.S. Federal income tax consequences of certain transactions involving stock distributions intended to qualify as tax-free under **section 355** together with cover letter dated November 5, 2013 to Honorable Mark Mazur, Assistant Secretary for Tax Policy, Department of the Treasury, Daniel I. Werfel, Acting Commissioner, Internal Revenue Service, and Honorable William J. Wilkins, Chief Counsel, Internal Revenue Service from David H. Schnabel.
- 1293** Report responding to the New York State Tax Reform and Fairness Commission's request for recommendations with respect to certain issues relating to the income tax treatment of certain **New York State resident trusts** together with cover letter dated November 18, 2013 to Honorable H. Carl McCall, Co-Chair, New York State Tax Reform and Fairness Commission State Capitol, and Honorable Peter J. Solomon, Co-Chair, New York State Tax Reform and Fairness Commission State Capitol from David H. Schnabel.
- 1294** Report on suggestions to **improve the collections process** for taxpayers, practitioners and the NYS Department of Taxation and Finance together with cover letter dated November 26, 2013 to Thomas H. Mattox, Commissioner, NYS Department of Taxation and Finance from David H. Schnabel
- 1295** This report addresses the **FATCA Final Regulations** under Sections 1471 through 1474 of the Internal Revenue Code: PFFI Rules; IGAs; Interaction Between the Regulations and Chapters 3 and 61 dated January 7, 2014 to The Honorable Mark Mazur, Assistant Secretary (Tax Policy), Department of the Treasury; John Oscine, Commissioner, Internal Revenue Service and The Honorable William J. Wilkins, Chief Counsel, Internal Revenue Service from David H. Schnabel.
- 1296** This report provides comments and recommendations on **Section 2 of Notice 2007-55** and Possible Administrative Guidance Addressing Sections 897(h)(1) and 1445(e)(6) of the Internal Revenue Code with cover letter dated January 7, 2014 to The Honorable Mark Mazur, Assistant Secretary (Tax Policy), Department of the Treasury; John Koskinen, Commissioner, Internal Revenue Service and The Honorable William J. Wilkins, Chief Counsel, Internal Revenue Service from David H. Schnabel.



NEW YORK STATE BAR ASSOCIATION
MEETINGS DEPARTMENT

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