

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

A regular meeting of the Council of the State Bar of Michigan Taxation Section was held on January 13, 2004, at 9:00 AM. The meeting was held at the offices of Raymond & Prokop, P.C., in Southfield, Michigan. Sherill Siebert, Chairperson of the Taxation Section, presided:

**COUNCIL MEMBERS PRESENT**

Jess A. Bahs  
Sherill Siebert  
Ronald T. Charlebois  
Trevor T. Wetherington

Aaron H. Sherbin  
Charles M. Lax  
Jay A. Kennedy  
Eric N. Nemeth

Jeffrey DeVree  
Joan R. Dindoffer  
Thomas J. Kenny  
Henry P. Lee

**COMMITTEE CHAIRPERSONS PRESENT**

George H. Runstadler, III, Estates & Trusts  
James F. Mauro, Practice & Procedure  
John M. Neberle, State & Local  
Warren J. Widmayer, Employee Benefits

**COUNCIL MEMBERS ABSENT**

Anthony J. Caputo

**COMMITTEE CHAIRPERSONS ABSENT**

Eric T. Carver, Business Entities

**OTHERS PRESENT**

Edward M. Deron, Ex-Officio, Past Council Chairperson  
George Gregory, Probate Section Liaison and Past Council Chairperson  
Jan M. Baggett, Program Facilitator  
Deborah Michaelian

The meeting was called to order at 9:00 A.M., by Council Chairperson, Sherill Siebert.

A. ANNOUNCEMENTS

Sherill Siebert began the meeting with a few announcements. First, she introduced Deborah Michaelian who will replace Jan Baggett as Program Facilitator of the Taxation Section beginning September 2004. Second, Sherill indicated that she received a letter regarding a new program about public policy pronouncements. The State Bar will have a formalized procedure for sections of the State Bar to take positions on public policy issues. Our section needs to designate a person as liaison on public policy issues. Sherill indicated that Anthony Caputo has been appointed as our liaison and he has agreed to accept the position. Third, Sherill indicated that the State Bar of Michigan has set a date for the State Bar Annual Meeting which will be September 30 through October 1, 2004 at the Lansing Center at the Lansing Radisson Hotel. She reminded everyone that the Taxation Section would not be having its annual meeting during this period. Finally, Sherill reminded all committee chairs to turn in a list of their meeting dates, topics and times to her or Jan Baggett as soon as possible.

Eric Nemeth reported that he recently attended the National Association of State Bar Tax Sections Meeting in Washington D.C. All materials and minutes from the meeting were forwarded by Eric to Jan Baggett. Eric indicated that this meeting was held to allow the tax sections of the various state bars to discuss what they are doing. He indicated that the Michigan Tax Section was recognized favorably with respect to the seminars organized, our relationship with ICLE and the level of participation by our section members. Thereafter, a general discussion ensued about what Eric learned other tax sections are doing vis-à-vis our tax section.

B. MINUTES.

The minutes of the last meeting of the Council had been previously distributed. There being no comments, on motion duly made by Eric Nemeth and seconded by Henry Lee to accept the minutes, the motion was unanimously carried.

C. TREASURER'S REPORT.

Chuck Lax circulated various financial reports. Chuck observed that revenues, which come from our dues, are down. Chuck called the State Bar of Michigan to inquire as to this but did not get a good answer from them. The State Bar indicated that the dues notices went out. Chuck also reported that he believed we would hit our targeted revenue amount. That being said, Chuck emphasized the importance of outreach to bring in new members. George Gregory suggested that we should check the committee members to insure that they are members of the tax section and, if not, encourage them to join. George pointed out that there is a requirement that in order to be a committee

member you must be a member of the taxation section. It was decided that committee members would work with Jan to compare their membership list with the taxation section membership list. Henry Lee suggested that each council member recruit at least two new members. Eric Nemeth suggested that taxation section members be allowed to attend seminars free but non-members would have to pay a fee to attend.

D. COUNCIL ACTIVITIES.

Sherill Siebert asked for reports and was advised of the following:

1. After Hours Tax Law Series. Trevor T. Wetherington reported that the last program had good participation. The next program was that afternoon and entitled "Tax Aspects of Buying or Selling a Business". He anticipated that participation for this program will be good. He also reported that he is currently planning topics for next year and will be discussing his ideas and working with Mary Henninger of ICLE. Finally, he reported that there will also be a program held on February 17 entitled "Estate Planning for Retirement Benefits" and the speaker is Karl Schettenhelm.

2. Summer Tax Conference.

Henry Lee, Chairperson of the 2004 Summer Tax Conference, passed out a report. He generally reported that he has procured three sponsors for the Summer Tax Conference – Standard Federal Bank, Stout Risius Ross, Inc. and Virchow Krause. The sponsorship fee paid by each will be \$5,000. Henry requested feedback from the chairpersons of the State and Local Committee, Business Entities Committee and Practice & Procedure Committee for the case study. Henry wants to make sure that the case study is fully developed and is representative of all tax areas. Henry also reported that he would like to have a good cross section of speakers who are representative of the entire state and is looking to members to recommend speakers. Henry indicated that he wants to finalize the case study by January 23, 2004 and finalize the brochures by the middle/end of February.

Sherill reminded Henry that the first brochure must be mailed no later than the end of February and the second brochure mailed the first part of April. Since there is some lead time required with the printer, she encouraged Henry to finalize the details of the seminar and get the information to the printer well in advance of the mail date.

Thereafter, a general discussion ensued about mailing the brochure for the conference and advertising for the conference. Jay Kennedy indicated that the next edition of the Michigan Tax Lawyer will include an ad for the summer tax conference. Jan suggested that we send the brochure via email to all taxation members. Jay questioned whether we could get an ad in the Probate and Estate Planning Section Journal. George Gregory suggested we disseminate a brochure on the Probate and Estate Planning Section listserve, but check with Henry Grix before doing so to avoid

being perceived as “poaching”. Warren Widmayer suggested that any emails be sent via the Taxation Section and not via the Committees.

Jess Bahs, Chairperson of the 2005 Summer Tax Conference, reported that he has met with Henry Lee to discuss thoughts and ideas about the 2005 conference. He also indicated that he met with Eric Nemeth to discuss location and topics and is considering Grand Rapids as a possible location.

3. Tax Court Luncheon. Ronald T. Charlebois reported that there will be no Tax Court luncheon held in March. Judge Foley of the U.S. Tax Court informed Ronald that he does not participate in such events.

4. Directory. Trevor Wetherington submitted a report and generally reported that the process of gathering information for the directory is basically complete. Trevor indicated that he needs a good list for the Tax Tribunal’s office and Attorney General’s office and if anyone has such a list, please get it to him as soon as possible. Trevor also indicated that he needs to work with Jan and look at the lists and sort through them to insure accuracy. He believed that he would be able to finalize the information by January 23, 2004 and that the directory could be completed by the end of February. Once the directory is complete, Trevor indicated he would then need to determine how to disseminate it. It was generally decided that the issue of dissemination would not be addressed until after the directory is completed.

5. Michigan Bar Journal. Ronald T. Charlebois reported that the November 2004 Michigan Bar Journal will focus on tax issues. Ronald indicated that notices have been sent to those persons who previously offered to author an article but could not get one published the last time. To date, he has received one article. Tom Kenney indicated that Michelle Halloran and Gina Torielli have expressed an interest in writing an article.

6. Michigan Tax Lawyer. Jay Kennedy reported that a draft of the upcoming Michigan Tax Lawyer was sent to the editors for proofing before Christmas. He anticipates that the Michigan Tax Lawyer will be out by the end of January. Jay also indicated that he had previously sent out deadlines to everyone and reminded those present that the next deadline is February 29 for the submission of articles, reports and other items. Jay indicated that he has talked with Joan Dindoffer about a program at one of the law schools to solicit an article. Jay also indicated he has been following up with the matter of issues not being delivered.

7. Internet. Jeffrey A. DeVree reported that he has been in the process of surfing various websites of tax sections of other states (including Florida, New York, California, Massachusetts, Texas and Illinois). In his opinion, Florida had the best website of the states surveyed. In terms of content, Jeff believed that our site was one of the bests. A general discussion then ensued about access to our website. Jeff

indicated that our website is open to anyone, even if they are not a member of the State Bar of Michigan. The consensus of most of the people present was that we should not restrict access to our website at this time.

Jeff suggested that we may consider adding to the content of our website such things as (i) outreach matters; (ii) tax policy/administration information, (iii) information pertaining to the summer tax conference, and (iv) committee schedules, meeting dates, programs, etc. He also felt that we should get rid of old treasurer reports, include current taxation minutes and publications on this site (however, access to publications should require a password), create articles of interests by posting tax articles from various bar journals and other publications and add "links of interest to the site".

George Gregory suggested that maybe an email be sent announcing new content to the site and also providing an updated site map. John Neberle suggested possibly creating a chat room and allowing people to subscribe to a listserv to discuss tax issues.

Jeff concluded by indicating he would discuss these ideas with the State Bar of Michigan.

8. Federal and State Tax Legislation. Sherill Seibert indicated that she spoke with Anthony Caputo and that he indicated that he had nothing to report.

9. Public Policy. Sherill Seibert indicated that she spoke with Anthony Caputo and that he indicated that he had nothing to report.

10. Membership Outreach. Joan R. Dindoffer reported that the focus of outreach this year will be outreaching to law schools. She indicated that she had discussed with law schools the idea of students preparing articles as part of a contest with the winner's article being published. She said the law schools were not receptive to this idea and they felt that participation would not be good. Mark Gordon of the U of D Mercy Law School suggested to Joan that perhaps law students could write an article under the supervision of a faculty member and have it published under the Michigan Tax Lawyer. We could then invite those students whose articles were published to the annual meeting to be recognized.

Trevor Wetherington suggested we contact the law reviews of the various law schools and have tax related articles/notes summarized in a form to be published in the Michigan Tax Lawyer. Another suggestion was to have practicing attorneys be guest speakers at law school classes. Another suggestion was having a reception at law schools to allow students to interact with tax practitioners. Finally, Jay Kennedy asked whether we should be trying to get law students to attend the summer tax conference and encourage them to do so by waiving or subsidizing the fee.

## E. COMMITTEE REPORTS.

1. Business Entities. Eric T. Carver was not present, but submitted a report indicating that the Business Entities Committee and the Tax Practice and Procedure Committee will be organizing a joint meeting scheduled for March 23, 2004 at 3:30 p.m. at the Detroit office of Dickinson Wright. Miles Wright of the Internal Revenue Service will be leading a discussion regarding the tax practices and procedures for business entities.

2. Employee Benefits. Warren J. Widmayer submitted a report and generally reported that a joint dinner meeting with the Michigan Employee Benefits Conference was held on November 20, 2003 at the Red Run Golf Club in Royal Oak. Bob Bell, Manager of EP Determinations, substituted for Paul Shultz, Director of Employee Plans Rulings and Examinations, TE/GE, who was unable to attend in person but made a telephonic presentation. They spoke on a number of current topics in the employee benefits area. Warren also indicated that the committee is planning a meeting with IRS representatives addressing recent developments in the employee benefits area which will take place either February 19, March 11 or March 18, depending on availability of IRS speakers. In addition, the committee will co-sponsor the IRS/ASPA Great Lakes Employee Benefits Conference, which is scheduled to be held April 29 and the 30<sup>th</sup> at the Hyatt Regency McCormick Place in Chicago. Finally, Warren reported that the annual member showcase will occur May 27, 2004. Topics and speakers for this event will be solicited from the committee members.

3. Practice & Procedure. James F. Mauro reported that his committee will be having a joint meeting with the Business Entities Committee on March 23 regarding tax practices and procedures for business entities which will include a presentation by representative of the IRS on trust fund liability and responsible parties. James also indicated that he is working on future meetings for the committee.

4. Estates and Trusts. George Runstadler, III reported about recent changes in estate tax laws. He also reported that there are no meetings scheduled of the committee yet, but he will be working on scheduling meetings.

5. State & Local. John Neberle reported that he is attempting to schedule a meeting for April 11, 2004 on tax revisions. John then discussed recent developments on State and Local tax matters. John reported that he is still working on establishing two other meetings for this year. Finally, John reported that he would be attending a meeting sponsored by the MACPA at which Michigan Department of Treasury officials would be in attendance on February 3, 2004.

6. Probate and Estate Planning Liaison. George Gregory submitted several reports and generally reported about matters occurring at the October 14, 2003, November 16, 2003 and December 13, 2003 meetings of the Probate and Estate

Planning Section. Some of the matters of interest reported by George included the creation of a specialization certification in estate planning. George also discussed the sections continued review of the Uniform Trust Code as well as the Michigan Legislature's introduction of the revised Uniform Principal and Income Act. George also expressed the Sections concern about the Probate Court Guardianship and Conservatorship inquiries that are currently taking place. Finally, George generally discussed the LACKS litigation and the Bank One conflict of interest case.

F. State Bar of Michigan Liaison Report. Roger Young was not present but Sherill Seibert indicated that Scott Brinkmeyer, President of the Michigan State Bar, expressed an interest in attending a meeting of each of the sections of the State Bar. Our section has given Mr. Brinkmeyer a list of dates of our meetings, but Mr. Brinkmeyer indicated that our meeting locations were probably too far for him to be able to attend.

Sherill Siebert concluded the meeting by reminding everyone that the sections annual meeting will be held on Thursday, September 9, 2004 and that our next meeting would be held on March 16, 2004 at the law offices of Maddin, Hauser, Wartell, Roth & Heller, P.C.

There being no further business a motion to adjourn was made by Eric Nemeth and seconded by Trevor Wetherington. After unanimous consent, the meeting was adjourned at 10:55.

Respectfully submitted,

Aaron H. Sherbin  
Secretary