

Income Tax Determination

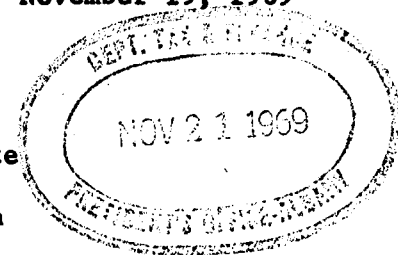
DEPARTMENT OF TAXATION AND FINANCE

MEMORANDUM

TO: Norman Gallman, Acting Commissioner OFFICE Income Tax - Albany

FROM: Edward D. Igoe DATE November 19, 1969

SUBJECT: Request for Approval of the State Tax Commission to Waive Delinquent Penalties and Penalties for Failure to File Declaration or Pay Income Taxes Under Sections 685(a) and (c) of the New York State Income Tax Law in the amount of \$17,470.43 in the Case of Seven Nonresident Partners of the Law Firm of Strasser, Spiegelberg, Fried and Frank



This law firm carries on its practice from offices maintained in New York City and Washington, D. C.

The seven partners stationed in Washington, D. C. never filed returns or paid New York State income taxes on their distributive shares of partnership income earned by the New York City Office of the firm, as required by the provision of Section 637 of the New York State Personal Income Tax Law.

In the fall of 1967, this delinquency was disclosed to Commissioner Murphy by the representative of the firm, Mr. Harold Seiden, CPA of the firm of Alexander Grant and Co., 380 Madison Avenue, New York City.

At that time, Commissioner Murphy advised the representative that we would agree to waive the penalties if the seven nonresident partners would file delinquent returns for years 1959-1966 (where required) and pay the basic taxes and accrued interest.

Thereafter, numerous conferences were held, including one in this office and several in the Metropolitan Regional Office, 80 Centre Street, New York City, and as a result thereof, the amount of basic tax liability, delinquent and estimated tax penalties of each partner was established in the case of these seven Washington, D. C. partners.

All seven of the nonresident partners have now filed delinquent returns and have paid the total sum of \$103,300.00 for basic taxes and the accrued interest.

The representative of the taxpayers asked that the above delinquency penalties of 25% in the total amount of \$15,621.86 and the above penalty for failure to file and pay estimated taxes of \$1,848.57 be waived.

In view of all the circumstances as outlined above, I recommend that the State Tax Commission now waive these penalties.

Approved Martin Koenig 11/24/69
Approved J. O. Mansley 11/25/69
Approved Norman Gallman 11/28/69

E. Igoe
Edward D. Igoe