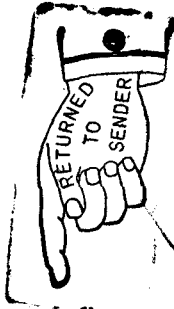


STATE OF NEW YORK
Department of Taxation and Finance

STATE CAMPUS
ALBANY, N. Y. 12226



Not in Directory;

Baltimore Wig Distributors, Inc.

T/A Wig World
1592 Broadway
New York, New York

- ☒ Moved, left no address
☐ No such number
☒ Moved, not forwardable
☒ Address unknown

CERTIFIED

No 237749

MAIL

134



STATE OF NEW YORK
DEPARTMENT OF TAXATION AND FINANCE
BUILDING 9, ROOM 214A
STATE CAMPUS
ALBANY, N. Y. 12226

STATE TAX COMMISSION

NORMAN F. GALLMAN, ACTING PRESIDENT
A. BRUCE MANLEY
MILTON KOERNER

AREA CODE 518
457-2655, 6, 7

STATE TAX COMMISSION
HEARING UNIT

EDWARD ROOK
SECRETARY TO
COMMISSION

ADDRESS YOUR REPLY TO

Albany, New York

December 29, 1970

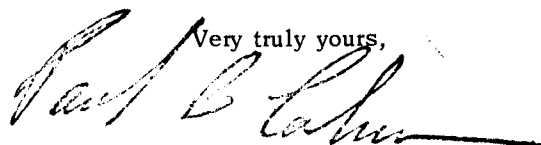
Baltimore Wig Distributors, Inc.
T/A Wig World
1592 Broadway

New York, New York

Please take notice of the DECISION of
the State Tax Commission enclosed herewith.

Please take further notice that pursuant to Section 690
the Tax Law any proceeding in court to review an adverse decision
must be commenced within 4 months after
the date of this notice.

Any inquiries concerning the computation of tax due or refund allowed
in accordance with this decision or concerning any other matter relat-
ing hereto may be addressed to the undersigned. These will be referred
to the proper party for reply.

Very truly yours,


Paul B. Coburn
HEARING OFFICER

cc Petitioner's Representative
Law Bureau

STATE OF NEW YORK

STATE TAX COMMISSION

In the Matter of the Petition :
of :
BALTIMORE WIG DISTRIBUTORS, INC. :
T/A WIG WORLD :
for Redetermination of Deficiency or for :
Refund of Personal Income Tax under :
Article 22 of the Tax Law (Withholding :
Taxes) for the 6 month periods ending :
6/30/65, 12/31/65 and 6/30/66 :
:

DECISION

Petitioner, Baltimore Wig Distributors. Inc., T/A Wig World. has filed a petition for redetermination of deficiency or for refund of personal income tax under Article 22 of the Tax Law (Withholding Taxes) for the 6 month periods ending 6/30/65, 12/31/65 and 6/30/66. (File No.AF-900023) A formal hearing was held before Solomon Sies, Hearing Officer, at the offices of the State Tax Commission, 80 Centre Street, New York, New York on June 7, 1967, at 10:15 A.M. Petitioner did not appear at the hearing.

FINDINGS OF FACT

1. Between January 1, 1965, and June 30, 1966, petitioner Baltimore Wig Distributors, Inc., T/A Wig World was engaged in the sale of wigs in New York City. During this period it failed to pay over to New York State withholding tax due on salaries paid to employees. The total tax due for the period ending June 30, 1965, was \$86.10, for the period ending December 31, 1965, was \$208.50 and for the period ending June 30, 1966, was \$139.92.

2. On October 26, 1966, the Special Investigations Bureau issued against petitioner, Baltimore Wig Distributors, Inc., T/A Wig World a notice and demand for payment of personal taxes under jeopardy assessment imposing withholding taxes, penalties and interest, as follows:

	<u>6 Mo. Ending 6/30/65</u>	<u>6 Mo. Ending 12/31/65</u>	<u>6 Mo. Ending 6/30/66</u>
Total Tax	\$ 86.16	\$ 208.50	\$ 139.92
Penalty at 100 % ¶ 685g	86.10	208.50	139.92
Interest at 6% to 10/26/66	6.39	9.23	2.00
Additional Penalty ¶ 685i	<u>1,000.00</u>	<u>1,000.00</u>	<u>1,000.00</u>
	\$1,178.59	\$1,426.23	\$1,281.84

On November 14, 1966, in accordance with the jeopardy assessment a notice of deficiency in the sum of \$3,886.66 was issued against petitioner, Baltimore Wig Distributors, Inc., T/A Wig World.

3. Petitioner, Baltimore Wig Distributors, Inc., T/A Wig World willfully failed to collect, account for and pay over the aforesaid withholding taxes.

4. The Special Investigations Bureau failed to prove that petitioner, Baltimore Wig Distributors, Inc., T/A Wig World with fraudulent intent failed to collect account for and pay over the aforesaid withholding taxes.

CONCLUSIONS OF LAW

A. That petitioner, Baltimore Wig Distributors, Inc., T/A Wig World was required to deduct and withhold tax from wages paid to employees and was liable for such tax for the period from January 1, 1965, to June 30, 1966, in accordance with the meaning and intent of Section 674 of the Tax Law.

B. That since petitioner, Baltimore Wig Distributors, Inc., T/A Wig World willfully failed to collect, account for and pay over withholding taxes for the period from January 1, 1965, to June 30, 1966, a penalty equal to 100% of the total tax due was properly assessed in accordance with the meaning and intent of Section 685(g) of the Tax Law.

C. That since petitioner, Baltimore Wig Distributors, Inc., T/A Wig World, did not with fraudulent intent fail to collect, account for and pay over withholding taxes for the period from January 1, 1965,

to June 30, 1966, an additional penalty of \$1,000.00 for each 6 month period was improperly assessed in accordance with the meaning and intent of Section 685(1) of the Tax Law.

D. That the petition of Baltimore Wig Distributors, Inc., T/A Wig World is granted to the extent of cancelling the additional penalties in the total sum of \$3,000.00 assessed pursuant to Section 685(1) of the Tax Law and except as so granted is in all other respects denied and the notice of deficiency dated November 14, 1966, is reduced to \$886.66 together with such interest as may be due from that date.

DATED: Albany, New York
December 23, 1970

STATE TAX COMMISSION

Norman Gallivan
COMMISSIONER

Bruce Masley
COMMISSIONER

Milton Krone 12/1/70
COMMISSIONER

STATE OF NEW YORK

STATE TAX COMMISSION

IN THE MATTER OF THE PETITION

OF

JOSEPH V. AND MARIE B. REED, JR.

**FOR REDETERMINATION OF A DEFICIENCY OR
FOR REFUND OF PERSONAL INCOME TAXES
UNDER ARTICLE 22 OF THE TAX LAW FOR THE
YEARS 1960, 1961 and 1962**

The above-named taxpayers having filed a petition for redetermination of a deficiency or for refund of personal income taxes under Article 22 of the Tax Law for the years 1960, 1961 and 1962, and a hearing having been held in connection therewith at the office of the State Tax Commission at 80 Centre Street, New York, N. Y. on the 16th day of June, 1966 before Solomon Sles, Hearing Officer of the Department of Taxation and Finance, at which hearing the taxpayers were represented by Winthrop, Stebbins, Putnam & Roberts, Esqs., by Roland Stebbins, III, Esq., of Counsel, and the matter having been duly examined and considered,

The State Tax Commission hereby finds:

(1) That on May 12, 1964 the taxpayer Joseph V. Reed, Jr. filed a New York State Income Tax Resident Return for the year 1959; that on the same date the taxpayers, Joseph V. and Marie B. Reed, Jr., similarly filed New York State Income Tax Resident Returns for the years 1960, 1961 and 1962; that the taxpayers remitted payment of the taxes for the aforementioned years, computed to be due together with interest computed up to May 8, 1964 in the amounts of \$2,090.78

\$7,311.30, \$6,896.85 and \$6,369.28 for the respective years 1959 through 1962.

(2) That on November 4, 1964 taxpayers filed claims for refund on Form IT-113x for the years 1959, 1960, 1961 and 1962 on the ground that it had been determined on May 15, 1964 in a proceeding instituted in Supreme Court, New York County that the taxpayer Joseph V. Reed, Jr. had not been a resident of the State of New York for the five-year period preceding January 1, 1965 in accordance with the provisions of Article III, §7 of the New York State Constitution; that the aforementioned proceeding was brought to invalidate the nominating petitions filed with the Board of Elections by the taxpayer Joseph V. Reed, Jr. to qualify as a Republican Party candidate in the Primary Election for member of the Assembly of the State of New York, Eighth Assembly District, New York County; that the taxpayers contend they were not residents of the State of New York during the years 1959 through and including 1961, and that the determination of the Supreme Court in the proceeding heretofore referred is binding on the New York State Tax Commission; that the claims for refund were denied and taxpayers filed a petition for redetermination of a deficiency or for refund of personal income taxes paid for the years 1960, 1961 and 1962.

(3) That during 1958 and prior thereto, the taxpayer Joseph V. Reed, Jr. was a domiciliary of the State of Connecticut residing with his parents in Greenwich, Connecticut and attending Yale University; that prior to January 1, 1959 the aforementioned taxpayer withdrew from Yale University due to ill health; that during the period from January 1, 1959 to the end of May, 1959 he was in New Mexico and Florida convalescing upon the advice of his physicians; that the aforementioned taxpayer leased an apartment located at 7 East 63rd Street,

New York City for the period commencing on the 16th day of June, 1959 and terminating on the 30th day of September, 1959; that the leasing of the aforementioned apartment was for the purpose of recuperating from the operation performed in June, 1959 at Doctor's Hospital, New York City.

(4) That the taxpayer Joseph V. Reed, Jr. returned to Yale University in September, 1959 to complete his senior year; that he rented a house in Guilford, Connecticut for the period from September, 1959 to June, 1960; that on December 9, 1959 the taxpayer, Joseph V. Reed, Jr. married the former Marie Myers, then residing at 988 Fifth Avenue, New York City, at the Municipal Building, New York City; that after their honeymoon the taxpayers in January, 1960 were domiciled in Guilford, Connecticut.

(5) That in February, 1960 the taxpayer Joseph V. Reed, Jr. again became ill and withdrew from Yale University; that he was confined to New York Hospital, New York City until March, 1960; that said taxpayer went to Florida for health reasons upon the advice of his physicians; that his wife accompanied him; that they remained there from March until the end of May, 1960.

(6) That on June 1, 1960 the taxpayers purchased a cooperative apartment located at 447 East 57th Street, New York City; that extensive alterations were required to be made in the apartment prior to its occupancy; that during the period that alterations were being made in the cooperative apartment, the taxpayers were living in Connecticut with the husband's parents and on occasion came into New York City to supervise the alterations; that the taxpayers' first child was born on September 18, 1960 in New York City; that the taxpayers were

vacationing in Florida from October to December, 1960; that on January 1, 1961 the taxpayers and their daughter moved into the cooperative apartment in New York City; that the taxpayers effected a change of domicile from Connecticut to the State of New York on January 1, 1961; that the taxpayers did not maintain a permanent place of abode within the State of New York prior to January 1, 1961.

(7) That in February, 1961 the taxpayer, Joseph V. Reed, Jr., returned to Yale University; that he lived in a hotel in New Haven, Connecticut until his graduation in June, 1961; that during this period said taxpayer lived with his family in New York City on weekends and holidays; that he rejoined his wife and family in New York in June, 1961 and remained there until the end of September, 1961; that on October 1, 1961 the taxpayer Joseph V. Reed, Jr., accepted a temporary position with International Bank for Reconstruction & Development in Washington, D. C. and leased a furnished house in Washington, D. C. for the period from September 1, 1961 to August 31, 1962; that he remained in Washington, D. C. with his family until the Fall of 1962; that in the Fall of 1962 the taxpayer's family returned to New York City to the cooperative apartment; that the taxpayers' second daughter was born in New York City in December, 1962; that the taxpayer Joseph V. Reed, Jr. accepted a position with the Chase Manhattan Bank effective January, 1963 and has been employed there ever since; that the taxpayers retained exclusive ownership of the cooperative apartment heretofore mentioned from June 1, 1960 to the date of the hearing; that it was not sublet nor was it occupied by anyone except the taxpayers; that the abode maintained by the taxpayers in Washington, D. C. was temporary.

(8) That the taxpayer Joseph V. Reed, Jr. was admitted as an elector in the Town of Greenwich, Connecticut on October 15, 1960; that he voted in Connecticut by absentee ballot from Florida in 1960 and from Washington, D. C. in 1961; that he did not vote in 1961.

(9) That the taxpayers were and remained domiciliaries of the State of New York from January 1, 1961 to the date of the hearing; that they maintained a permanent place of abode within the State of New York during the years 1961 and 1962; that they spent more than thirty days within the State of New York during each of the years 1961 and 1962.

Based upon the foregoing findings and all of the evidence presented herein, the State Tax Commission hereby
Decides:

(A) That the ruling of the Supreme Court invalidating the nominating petitions of the taxpayer Joseph V. Reed, Jr. merely decided that said taxpayer was not a domiciliary of the State of New York on January 1, 1960.

(B) That during the year 1960 the taxpayers were not domiciliaries of the State of New York and did not maintain a permanent place of abode and spend more than 183 days within this State; that the taxpayers were not residents of New York State, for income tax purposes, during the calendar year 1960 in accordance with the provisions of Section 605 of the Tax Law.

(C) That the taxpayers abandoned their Connecticut domicile and established a new domicile in the State of New York on January 1, 1961; that the taxpayers spent more than thirty days in the State during each of the years 1961 and 1962; that the taxpayers were therefore residents of the State of

New York, for income tax purposes, for the years 1961 and 1962, within the intent and meaning of Section 605 of the Tax Law.

(D) That, accordingly, there was no tax due and owing from the taxpayers for the year 1960; that the petition of the taxpayers for redetermination of a deficiency or for refund of personal income taxes solely with respect to the year 1960 be and the same is hereby granted; that there be refunded to the taxpayers the amount of \$7,311.38, the total amount of tax paid by them for said year together with any lawful interest that may be due thereon.

(E) That, accordingly, the taxpayers are not entitled to a refund of personal income taxes paid for the years 1961 and 1962; that the petition of the taxpayers for a redetermination of a deficiency or for refund of personal income taxes with the respect to the years 1961 and 1962 be and the same is hereby denied.

DATED: Albany, New York on the 15th day of July 1969.

STATE TAX COMMISSION

Norman Gallman
PRESIDENT

Blaise Marley
COMMISSIONER

William Krueger
COMMISSIONER

STATE OF NEW YORK

STATE TAX COMMISSION

IN THE MATTER OF THE APPLICATION :
OF :
MORRIS ARON :
FOR REVISION OR REFUND OF PERSONAL :
INCOME TAXES UNDER ARTICLE 22 OF :
TAX LAW FOR THE YEAR 1961 :

The State Tax Commission having assessed additional normal income taxes on the income of the taxpayer under Article 22 of Tax Law for the year 1961 by notice of additional assessment, and the taxpayer having filed application for revision or refund related to such additional assessment and such application having been denied, and a hearing having been held on May 12, 1964 at the offices of the New York State Department of Taxation and Finance, 80 Centre Street, New York, New York, before Francis X. Boylan, Hearing Officer, and the taxpayer having appeared in person and Edward B. Popper, C.P.A., of New York, N. Y., having been present, and the record having been duly examined and considered,

The State Tax Commission hereby finds that:

(1) By notice of additional assessment No. AB036365 dated December 5, 1962, the State Tax Commission assessed additional normal income taxes for the year 1961 in the amount of \$1,719.18. The taxpayer's total income was allocated by this Department entirely to New York by reason of a finding that taxpayer failed to supply information to support an apportionment of such earnings within and without New York State. The taxpayer had claimed that \$15,000 of allocable earnings of \$30,000 were

apportionable to New York and taxable. By applications for revision or refund which were denied, the taxpayer raised the issue of the proper apportionment of his earned income within and without the State.

(2) The taxpayer, a nonresident of this State and a resident of South Norwalk, Connecticut, was the president of M. Aron Corporation of New York, New York, and was president also of Corday, Inc., of South Norwalk, Connecticut, a separately incorporated corporation, not a subsidiary of M. Aron Corporation. Both corporations were closed corporations controlled by the taxpayer.

(3) M. Aron Corporation and Corday, Inc. had close business relations through the common ownership by the taxpayer. M. Aron Corporation served as a sales agency for the sale of ties; the cutting of these ties and the contracting out of the actual manufacture of them was done by Corday, Inc., and inventories of stock were stored at its premises in Connecticut.

(4) The taxpayer in the year under consideration was actually employed at the New York offices two days a week out of a six-day week, working practically full time on those days for the M. Aron Corporation. He worked four days a week on the premises of Corday, Inc. in Connecticut but devoted part of his time, found to be one-half thereof, to work of the M. Aron Corporation.

(5) The taxpayer as president of M. Aron Corporation personally directed at Connecticut but in behalf of M. Aron Corporation the functions of purchasing new stocks of textiles and of assembling orders for customers at quoted prices. An adequate business reason existed for the taxpayer's performing this work in Connecticut, rather than at New York, as it is found, in that inventories of stock located there were a factor

to be considered by him, and certain personnel of Corday, Inc. were consulted with there by the taxpayer in connection with his carrying out these and other duties on behalf of M. Aron Corporation.

Upon the foregoing findings and all of the evidence presented herein, the State Tax Commission hereby

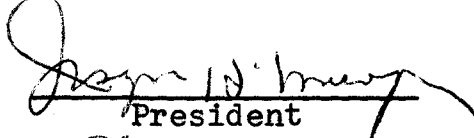
D E T E R M I N E S:

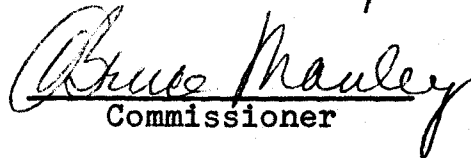
(A) That the income of the taxpayer, a nonresident, earned in the year under consideration, 1961, from M. Aron Corporation of New York, New York, was earned as a corporate officer, as president of the said corporation, in an occupation carried on partly in New York to the extent of one-half of the total work performed by him for the said corporation both within and without the State; and pursuant to the provisions of Tax Law section 632 and related instructions, such income was properly apportionable as being subject to income tax of the State of New York to the extent of one-half thereof.


(B) That taxpayer's related application for revision and review of the additional assessment for the year 1961 is granted and the additional taxes assessed by notice of additional assessment No. AB036365 dated December 5, 1962 for the year 1961 are hereby cancelled in full.

DATED: Albany, New York, this 2nd day of June , 1969.

STATE TAX COMMISSION


President


Commissioner


Commissioner

STATE OF NEW YORK

STATE TAX COMMISSION

IN THE MATTER OF THE PETITION OF

MARGARET T. SAUNDERS

**FOR REDETERMINATION OF A DEFICIENCY OR
FOR A REFUND OF PERSONAL INCOME TAXES
UNDER ARTICLE 22 OF THE TAX LAW FOR THE
YEARS 1960, 1961 AND 1962**

The taxpayer herein having duly filed a petition for redetermination of a deficiency or for a refund of personal income taxes under Article 22 of the Tax Law for the years 1960, 1961 and 1962 and a hearing having been held in connection therewith at the office of the State Tax Commission, 80 Centre Street, New York, New York at which hearing taxpayer appeared and testified, and the record having been duly examined and considered,

The State Tax Commission hereby finds:

(1) That the taxpayer, Margaret Saunders, filed income tax returns for the years 1961 and 1962 and failed to file an income tax return for the year 1960. A statement of audit changes and notice of deficiency for the years 1960, 1961 and 1962 in the amount of \$153.83 including interest and a penalty for \$9.99 for the year 1960 were issued.

(2) That the taxpayer entered into a separation agreement dated April 4, 1958 which was amended September 16, 1958 which provided for the payment of the sum of \$4,940 per year for the support of the taxpayer and the support of two children of the marriage; that the agreement did not provide that a specific amount of the payment was for the support of the children.

(3) That the taxpayer received payments totaling \$4,940 from Francis Saunders pursuant to the separation agreement during each of the years 1960, 1961 and 1962.

Based upon the foregoing and all the evidence presented herein, the State Tax Commission hereby,

DECIDES

(A) That since the separation agreement did not provide for a specific amount of the payment for the support of the children, all the payments are includible as alimony payments under section 612 of the Tax Law and are required to be reported as income.

(B) That the statements of audit charges recomputing the New York State income for the years 1960, 1961 and 1962 are correct and lawfully due and owing together with interest and other statutory charges, and that the taxpayer's petition for redetermination of a deficiency for the years 1960, 1961 and 1962 is hereby denied.

Dated: Albany, New York this 10th day of October 196 .

/s/

JOSEPH H. MURPHY

PRESIDENT

/s/

JAMES R. MACDUFF

COMMISSIONER