

*Re: John E. and Katherine L. Kasch
Decision dated February 22, 1972
Article 22 Year: 1966*

March 7, 1972'

William Jetter
910 South Michigan Avenue
Chicago, Illinois 60680

Re: John E. and Katherine L. Kasch
Decision dated: February 22, 1972
Article 22 Year: 1966

Dear Mr. Jetter:

This acknowledges your letter regarding the recent decision of the State Tax Commission.

Your letter has been referred to the Litigation Unit of our Bureau of Law for their attention and response to your inquiry.

Very truly yours,

Law

Lawrence A. Newman
Hearing Officer

cc: Law Bureau

1-11
WILLIAM E. JETTER
910 SOUTH MICHIGAN AVENUE
CHICAGO, ILLINOIS 60680

March 1, 1972

Mr. Lawrence A. Newman
Hearing Officer
State of New York
Department of Taxation & Finance
Building 9, Room 214A
State Campus
Albany, New York 12226

Re: John E. and Katherine L. Kasch
Year 1966

Dear Mr. Newman:

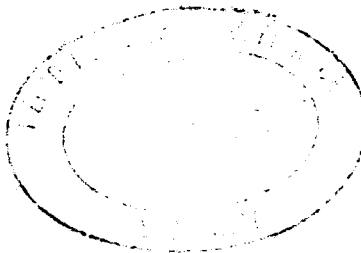
I have received the decision of the State Tax Commission
in the above case.

Please have the proper party send Mr. and Mrs. Kasch (with
a copy to me) a statement of the amount which is due the
State of New York. In computing the amount of interest,
I trust that the State will take into account the fact
that I filed the Petition for Redetermination of the
Deficiency on January 21, 1969, and that the three-year
delay has in no way been attributable to the taxpayers'
action or inaction.

Very truly yours,

W E Jetter

WEJ:mm



STATE OF NEW YORK
STATE TAX COMMISSION

In the Matter of the Petition

of
JOHN E. KASCH & KATHERINE L. KASCH,
his wife

For a Redetermination of a Deficiency or
a Refund of Personal Income :
Taxes under Article(s) 22 of the :
Tax Law for the (Year(s) 1966 :

**AFFIDAVIT OF MAILING
OF NOTICE OF DECISION
BY (CERTIFIED) MAIL**

State of New York
County of Albany

Martha Funaro , being duly sworn, deposes and says that she is an employee of the Department of Taxation and Finance, over 18 years of age, and that on the 22nd day of February , 19 72, she served the within Notice of Decision (or Determination) by (certified) mail upon John E. Kasch & Katherine L. Kasch, his (representative of) the petitioner in the within proceeding, by enclosing a true copy thereof in a securely sealed postpaid wrapper addressed as follows: John E. Kasch & Katherine L. Kasch
909 Holly Court
Northbrook, Illinois 60062

and by depositing same enclosed in a postpaid properly addressed wrapper in a (post office or official depository) under the exclusive care and custody of the United States Post Office Department within the State of New York.

That deponent further says that the said addressee is the (representative of) petitioner herein and that the address set forth on said wrapper is the last known address of the (representative of the) petitioner.

Sworn to before me this

22nd day of February , 1972.

Linda Wilson

Martha Fumero



STATE OF NEW YORK
DEPARTMENT OF TAXATION AND FINANCE

STATE TAX COMMISSION

NORMAN F. GALLMAN, PRESIDENT

A. BRUCE MANLEY

MILTON KOERNER

BUILDING 9, ROOM 214A

STATE CAMPUS
ALBANY, N. Y. 12227

AREA CODE 518

457-2655, 6, 7

STATE TAX COMMISSION
HEARING UNIT

EDWARD ROOK
SECRETARY TO
COMMISSION

ADDRESS YOUR REPLY TO

Dated: Albany, New York

February 22, 1972

John E. Kasch & Katherine L. Kasch
909 Holly Court
Northbrook, Illinois 60062

Dear Mr. & Mrs. Kasch:

Please take notice of the **Decision** of
the State Tax Commission enclosed herewith.

Please take further notice that pursuant to section(s)
690 of 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 relating hereto may be
addressed to the undersigned. These will be referred
to the proper party for reply.

Very truly yours,

Lawrence A. Newman
Hearing Officer

cc Petitioner's Representative
Law Bureau

STATE OF NEW YORK

STATE TAX COMMISSION

In the Matter of the Petition :
of :
JOHN E. KASCH & KATHERINE L. KASCH, : DECISION
his wife :
for Redetermination of Deficiency or for :
Refund of Personal Income Taxes under :
Article 22 of the Tax Law for the Year 1966. :
:

John E. Kasch and Katherine L. Kasch, his wife, filed a petition for redetermination of a deficiency or for refund of personal income taxes under Article 22 of the Tax Law for the year 1966.

A formal hearing was scheduled before Lawrence A. Newman, Hearing Officer, in the offices of the State Tax Commission in the City of New York on January 18, 1971.

The petitioners and their representative, residents of the State of Illinois, elected to waive a hearing before the State Tax Commission and consented to the issuance of a decision without the introduction of additional evidence.

ISSUE

What allocation formula should be used in determining how much of the petitioner's salary was taxable by New York State?

FINDINGS OF FACT

1. John E. Kasch and Katherine L. Kasch, his wife, filed a New York State income tax nonresident return for the year 1966.
2. On October 28, 1968, the Income Tax Bureau issued a Notice of Deficiency, under file numbered 53101850, in the amount of \$302.78, plus interest.

3. The petition for redetermination was timely filed.

4. John E. Kasch (herein referred to as the "taxpayer"), was a nonresident of New York State during the entire year 1966.

5. From January 1, 1966 until September 1, 1966 he was vice-president of Standard Oil Company (Indiana), with headquarters in Chicago, Illinois. During those eight months, taxpayer lived in Northbrook, Illinois, a suburb of Chicago, and performed no services for his employer in the State of New York.

6. On September 1, 1966, taxpayer became executive vice-president of American International Oil Company, a wholly-owned subsidiary of Standard Oil Company (Indiana). The headquarters of American International were in New York, and taxpayer soon purchased a residence in Greenwich, Connecticut, from which he commuted to his new place of business.

7. From September 1, 1966 through December 31, 1966, taxpayer worked a total of 46 days in New York State. The taxpayer's total salary for this four-month period was \$27,236.29, and his compensation for the prior eight-month period was \$37,333.44. His total compensation for personal services for the year 1966 was, therefore, \$64,569.73.

8. The total number of working days out of the 122 calendar days from September 1, 1966 through December 31, 1966, equals 71.

DECISION

A. The correct allocation fraction to be applied to taxpayer's compensation is a numerator of 46 and a denominator of 71, and the total compensation to which the fraction is to be applied is \$27,236.29.

B. The recomputation by the Income Tax Bureau of the net income taxable by New York State is correct.

C. The Notice of Deficiency is sustained and the petition is denied.

DATED: Albany, New York
February 22, 1972

STATE TAX COMMISSION

Hyman Gellman
COMMISSIONER

Bruce Newley
COMMISSIONER

Wilton Koenig
COMMISSIONER