

STATE OF NEW YORK
STATE TAX COMMISSION

In the Matter of the Petition

of
KARL SCHAFER & KAROLA SCHAFER

For a Redetermination of a Deficiency or
a Refund of Personal Income & Unincorporated
Taxes under Article(s) 22 & 23 of the Business
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 7th day of August, 1972, she served the within Notice of Decision (or Determination) by (certified) mail upon Karl & Karola Schafer (representative of) the petitioner in the within proceeding, by enclosing a true copy thereof in a securely sealed postpaid

wrapper addressed as follows: Karl & Karola Schafer
5408 17th Avenue, South
Gulfport, Florida 33707

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

7th day of August, 1972

Lynn Wilson

Martha Funaro



STATE OF NEW YORK
DEPARTMENT OF TAXATION AND FINANCE

BUILDING 9, ROOM 214A
STATE CAMPUS
ALBANY, N. Y. 12226

AREA CODE 518
457-2655, 6, 7

STATE TAX COMMISSION
HEARING UNIT

EDWARD ROOK
SECRETARY TO
COMMISSION

STATE TAX COMMISSION

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

ADDRESS YOUR REPLY TO

Dated: Albany, New York

August 7, 1972

Karl & Karola Schafer
5408 17th Avenue, South
Gulfport, Florida 33707

Dear Mr. & Mrs. Schafer:

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

Please take further notice that pursuant to
Section(s) **690 & 722** of the Tax Law, any
proceeding in court to review an adverse deci-
sion must be commenced within **4 Months**
from 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 relative
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

Enc.

cc: Petitioner's Representative
Law Bureau

STATE OF NEW YORK

STATE TAX COMMISSION

In the Matter of the Petitions :
of :
KARL SCHAFFER AND KAROLA SCHAFFER : DECISION
for Redetermination of Deficiency or for :
Refund of Personal Income and Unincorporated :
Business Taxes under Articles 22 and 23 of :
the Tax Law for the Year 1966. :
:

Petitioners, Karl Schafer and Karola Schafer, have filed petitions for redetermination of deficiency or for refund of personal income and unincorporated business taxes under Articles 22 and 23 of the Tax Law for the year 1966. (File No. 52075376). A calendar call was scheduled before Hon. A. Bruce Manley, State Tax Commissioner, at the offices of the State Tax Commission, Building 9, State Campus, Albany, New York for March 7, 1972, at 2:00 P.M. Prior to the calendar call petitioners, in writing, waived a formal hearing and consented to the issuing of a decision without the introduction of additional evidence by them. The State Tax Commission renders the following decision after a review by it of the entire record contained in the file.

ISSUE

Were petitioners, Karl Schafer and Karola Schafer's personal income tax and unincorporated business tax liabilities for the year 1966 properly increased as a result of a field audit?

FINDINGS OF FACT

1. Petitioners, Karl Schafer and Karola Schafer, filed a

New York State income tax resident return for the year 1966.

Petitioner, Karl Schafer, filed a New York State unincorporated business tax return for said year.

2. On January 18, 1971, the Income Tax Bureau issued a Statement of Audit Changes against petitioners, Karl Schafer and Karola Schafer, imposing additional personal income tax for the year 1966 based upon a field audit of their New York State personal income tax return for said year and accordingly issued a Notice of Deficiency in the sum of \$731.35. Included in the Notice of Deficiency was a penalty imposed pursuant to section 685(b) of the Tax Law in the sum of \$28.67.

3. On January 18, 1971, the Income Tax Bureau issued a Statement of Audit Changes against petitioner, Karl Schafer, imposing additional unincorporated business tax for the year 1966 based upon a field audit of his New York State unincorporated business tax return for said year and accordingly issued a Notice of Deficiency in the sum of \$359.76. Included in the Notice of Deficiency was a penalty imposed pursuant to section 685(b) of the Tax Law in the sum of \$14.10.

4. The aforesaid field audit found that the petitioners, Karl Schafer and Karola Schafer, required \$6,192.00 in additional income to meet their expenses for the year 1966. It also disallowed \$375.00 in automobile and insurance expenses. It further increased interest income by \$70.00. They failed to submit any documentary or other sufficient evidence to prove that the contentions contained in the field audit were incorrect.

CONCLUSIONS OF LAW

A. That petitioners, Karl Schafer and Karola Schafer, failed to substantiate the facts that they did not require \$6,192.00 in additional unreported income to meet their expenses for the year 1966, that they did incur the disallowed expenses, and that they did not receive the additional interest income, since they did not submit any documentary or other sufficient evidence to support their claims, and accordingly the aforesaid adjustments were properly made by the Income Tax Bureau.

B. That the petitions of Karl Schafer and Karola Schafer are denied and the notices of deficiency issued January 18, 1971, are sustained.

DATED: Albany, New York
August 7, 1972

STATE TAX COMMISSION

Norman J. Gallivan

COMMISSIONER

Blair Mauley

COMMISSIONER

Milton Krumm

COMMISSIONER