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QUALITY  
THE FOLLOWING  
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ARE  
FADED & BLURRED

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STATE OF NEW YORK  
STATE TAX COMMISSION

In the Matter of the Petition

of

MORRIS J. REITER

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

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) 1961 and 1962.

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 10th day of January, 1974, she served the within Notice of Decision (or Determination) by (certified) mail upon Morris J. Reiter

(representative of) the petitioner in the within

proceeding, by enclosing a true copy thereof in a securely sealed postpaid

wrapper addressed as follows: Mr. Morris J. Reiter  
40 Brighton Road  
Brooklyn, New York

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

10th day of January, 1974.

Joseph S. VanPatten

Martha Funaro

STATE OF NEW YORK  
STATE TAX COMMISSION

In the Matter of the Petition

of

MORRIS J. REITER

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)) 1961 and 1962;

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 10th day of January, 1974, she served the within Notice of Decision (or Determination) by (certified) mail upon Thomas F.

Cusack, Esq. (representative of) the petitioner in the within proceeding, by enclosing a true copy thereof in a securely sealed postpaid

wrapper addressed as follows: Thomas F. Cusack, Esq.  
129 East 45th Street  
New York, New York 10017

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

10th day of January, 1974.

James S. Van Patten

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

Mario A. Procaccino,  
~~XXXXXXXXXXXXXXXXXXXX~~ PRESIDENT

A. BRUCE MANLEY

MILTON KOERNER

ADDRESS YOUR REPLY TO

**DATED:** Albany, New York  
**January 10, 1974**

**Mr. Morris J. Reiter**  
**40 Brighton Road**  
**Brooklyn, New York**

**Dear Mr. Reiter:**

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 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,

**Nigel G. Wright**  
HEARING OFFICER

Enc.

cc: Petitioner's Representative  
Law Bureau



General of the State of New York, this business was closed down and Mr. Reiter was indicted for grand larceny for misappropriation of customers funds. Mr. Reiter pleaded guilty and served time in jail.

3. The Federal Internal Revenue Service recommended a finding of an increase in income as a result of misappropriation in 1961 and 1962. Petitioner has not furnished any documentation as to the outcome of such findings.

4. Mr. Reiter now states that it was his cashier who misappropriated the money, that he in fact put more money into the firm to save the business and that he pleaded guilty to the indictment only because he had been misled by an attorney. These statements however are in no way corroborated and can be given little weight.

5. Petitioner did not file returns in 1961 and 1962. The failure to report income was negligent.

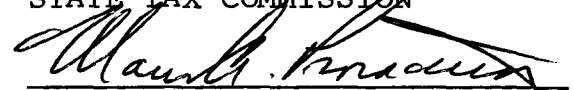
6. The deficiency in issue is on the amount of \$3,752.24 plus interest of \$1,379.32, a penalty under section 685(a) of the Tax Law of \$938.06, and a penalty under section 685(b) of the Tax Law of \$187.61 for a total of \$6,257.23.

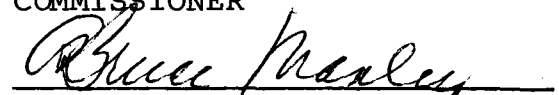
CONCLUSIONS OF LAW

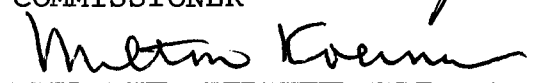
The deficiency together with penalties is found to be correct and is due together with such further interest as may be computed under section 684 of the Tax Law.

DATED: Albany, New York  
January 10, 1974

STATE TAX COMMISSIONER

  
COMMISSIONER

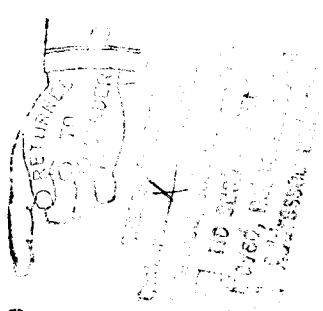
  
COMMISSIONER

  
COMMISSIONER

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STATE OF NEW YORK  
Department of Taxation and Finance

STATE CAMPUS  
ALBANY, N. Y. 12227



Mr. Morris J. Reiter

40 Brighton Road

Brooklyn, New York

*Brook*

JAN 25



MEMORANDUM

TO: Mr. Gabriel DiCerbo, Chief  
Review Unit  
Income Tax Bureau  
Room 104, Building #8

DATE: 1/31/74

SOCIAL SECURITY NO.

FROM: ~~Morris J. Reiter~~ Nigel G. Wright  
Hearing Unit  
Room 214A, Building #9

RE: Morris J. Reiter

Please advise as to the last known address for the above named taxpayer.

  
HEARING OFFICER

Taxpayer's last known address is:  
40 BRIGHTON ROAD  
BROOKLYN, NEW YORK

RECEIVED  
NEW YORK STATE  
INCOME TAX BUREAU  
FEB 3 1974  
HEARING UNIT  
REITER





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

~~Mario A. Procaccino~~  
~~CHIEF CLERK~~ PRESIDENT

A. BRUCE MANLEY  
MILTON KOERNER

ADDRESS YOUR REPLY TO

DATED: Albany, New York  
January 10, 1974

Mr. Morris J. Reiter  
40 Brighton Road  
Brooklyn, New York

Dear Mr. Reiter:

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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 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,

Nigel G. Wright  
HEARING OFFICER

Enc.

cc: Petitioner's Representative  
Law Bureau

STATE OF NEW YORK

STATE TAX COMMISSION

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In the Matter of the Petition :  
of :  
MORRIS J. REITER :  
for a Redetermination of a Deficiency or :  
for Refund of Personal Income Taxes under :  
Article 22 of the Tax Law for the Years :  
1961 and 1962. :

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DECISION

Morris J. Reiter filed a petition pursuant to section 689 of the Tax Law for the redetermination of a deficiency, issued under date of May 26, 1969, for personal income taxes under Article 22 of the Tax Law for the years 1961 and 1962.

A hearing was held on June 15, 1972, at the offices of the State Tax Commission, 80 Centre Street, New York, New York, before Nigel G. Wright, Hearing Officer. Petitioner was represented by Thomas F. Cusack, Esq. The Income Tax Bureau was represented by Saul Heckelman, Esq., appearing by Francis X. Boylan, Esq. The record of said hearing has been duly examined and considered.

ISSUE

The issue in this case relates to a finding by the Federal Government that petitioner understated his income by amounts that he allegedly embezzled from his business.

FINDINGS OF FACT

1. Petitioner operated as a securities dealer and broker under his own name.
2. As a result of an investigation by the office of the Attorney

General of the State of New York, this business was closed down and Mr. Reiter was indicted for grand larceny for misappropriation of customers funds. Mr. Reiter pleaded guilty and served time in jail.

3. The Federal Internal Revenue Service recommended a finding of an increase in income as a result of misappropriation in 1961 and 1962. Petitioner has not furnished any documentation as to the outcome of such findings.

4. Mr. Reiter now states that it was his cashier who misappropriated the money, that he in fact put more money into the firm to save the business and that he pleaded guilty to the indictment only because he had been misled by an attorney. These statements however are in no way corroborated and can be given little weight.

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6. The deficiency in issue is on the amount of \$3,752.24 plus interest of \$1,379.32, a penalty under section 685(a) of the Tax Law of \$938.06, and a penalty under section 685(b) of the Tax Law of \$187.61 for a total of \$6,257.23.

CONCLUSIONS OF LAW

The deficiency together with penalties is found to be correct and is due together with such further interest as may be computed under section 684 of the Tax Law.

DATED: Albany, New York  
January 10, 1974

STATE TAX COMMISSION

Walter A. Korman  
COMMISSIONER

Russ Manley  
COMMISSIONER

Milton Krenn  
COMMISSIONER