

STATE OF NEW YORK  
STATE TAX COMMISSION

In the Matter of the Petition

of

CHRISTOPHER PETER CHAFOULEAS

AFFIDAVIT OF MAILING

For a Redetermination of a Deficiency or :  
a Revision of a Determination or a Refund :  
of Personal Income :  
Taxes under Article ~~(s)~~ 22 of the :  
Tax Law for the Year ~~(s)~~ or ~~Period(s)~~ 1974. :

State of New York  
County of Albany

Catherine Steele, 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 October, 1976, she served the within Notice of Decision by ~~(certified)~~ mail upon Christopher Peter Chafouleas ~~(representative of)~~ the petitioner in the within proceeding, by enclosing a true copy thereof in a securely sealed postpaid wrapper addressed as follows: Mr. Christopher Peter Chafouleas  
P.O. Box 15191  
Phoenix, Arizona 85060 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 Postal Service within the State of New York.

That deponent further says that the said addressee is the ~~(representative of)~~ ~~(the)~~ 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 October, 1976

Catherine Steele

Janet Maek



STATE OF NEW YORK  
STATE TAX COMMISSION

In the Matter of the Petition

of

CHRISTOPHER PETER CHAFOULEAS

For a Redetermination of a Deficiency or  
a Revision of a Determination or a Refund  
of Personal Income  
Taxes under Article ~~(x)~~ 22 of the  
Tax Law for the Year ~~(xxxxxx Period(s))~~ 1974.

AFFIDAVIT OF MAILING

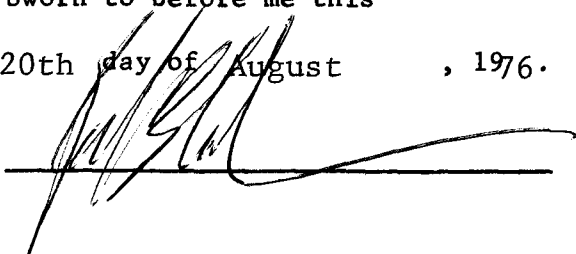
State of New York  
County of Albany

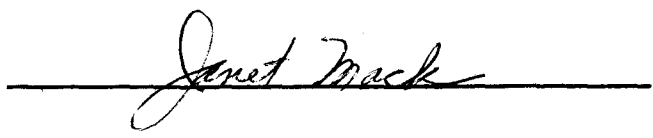
Janet Mack, being duly sworn, deposes and says that she is an employee of the Department of Taxation and Finance, over 18 years of age, and that on the 20th day of August, 1976, she served the within Notice of Decision by (certified) mail upon Christopher Peter Chafouleas ~~(representative of)~~ the petitioner in the within proceeding, by enclosing a true copy thereof in a securely sealed postpaid wrapper addressed as follows: Mr. Christopher Peter Chafouleas  
P.O. Box 15191  
Phoenix, Arizona 85060 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 Postal Service within the State of New York.

That deponent further says that the said addressee is the ~~(representative of the)~~ 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

20th day of August, 1976.





In the Matter of the Petition

of

CHRISTOPHER PETER CHAFOULEAS

AFFIDAVIT OF MAILING

For a Redetermination of a Deficiency or  
a Revision of a Determination or a Refund  
of Personal Income  
Taxes under Article (x) 22 of the  
Tax Law for the Year (~~xxxxxx~~) 1974.

State of New York  
County of Albany

Janet Mack, 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 20th day of August, 1976, she served the within Notice of Decision by (certified) mail upon William D. Pretsch, Esq.

(representative of) the petitioner in the within proceeding,

by enclosing a true copy thereof in a securely sealed postpaid wrapper addressed

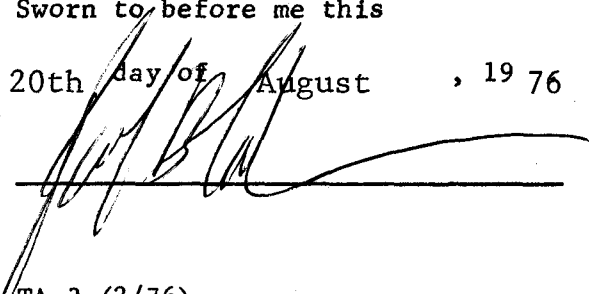
as follows: William D. Pretsch, Esq.  
42 Main Street  
P.O. Box 443  
Kingston, New York 12401

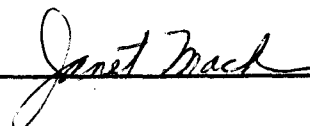
and by depositing same enclosed in a postpaid properly addressed wrapper in a (post office or official depository) under the exclusive care and custody of the United States Postal Service within the State of New York.

That deponent further says that the said addressee is the (representative of the) 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

20th day of August, 1976

  
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STATE OF NEW YORK  
DEPARTMENT OF TAXATION AND FINANCE

STATE TAX COMMISSION

TAX APPEALS BUREAU  
STATE CAMPUS  
ALBANY, N.Y. 12227

ADDRESS YOUR REPLY TO

August 20, 1976

TELEPHONE: (518) 457-3850

Mr. Christopher Peter Chafouleas  
P.O. Box 15191  
Phoenix, Arizona 85060

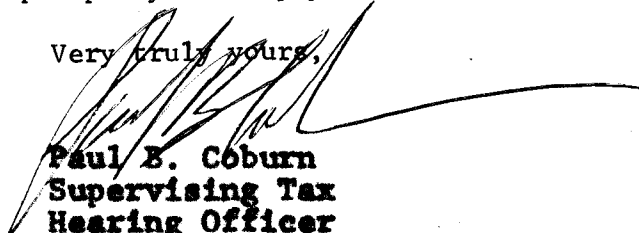
Dear Mr. Chafouleas:

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.

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. They  
will be referred to the proper party for reply.

Very truly yours,

  
Paul E. Coburn  
Supervising Tax  
Hearing Officer

Enc.

cc: Petitioner's Representative:

Taxing Bureau's Representative:

STATE OF NEW YORK

STATE TAX COMMISSION

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In the Matter of the Petition :  
of :  
CHRISTOPHER PETER CHAFOULEAS : DECISION  
for Redetermination of a Deficiency or :  
for Refund of Personal Income Tax under :  
Article 22 of the Tax Law for the Year :  
1974 :

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Petitioner, Christopher Peter Chafouleas (hereinafter Chafouleas), Post Office Box 15191, Phoenix, Arizona 85060 filed a petition for redetermination of deficiency or for refund of personal income tax under Article 22 of the Tax Law made as the result of a jeopardy assessment made for the tax year January 1, 1974 through April 24, 1974.

A formal hearing was held before Edward L. Johnson, Hearing Officer at the offices of the State Tax Commission, Building 9, State Office Campus, Albany, N.Y. 12227 on March 3, 1976 at 9:15 A.M. The petitioner appeared by William D. Pretsch, Esq. The Income Tax Bureau appeared by Peter Crotty, Esq. (Alexander Weiss, Esq. of counsel).

ISSUES

1. Whether the sum of \$7,199.90 in the possession of petitioner, Chafouleas, at the time of his arrest in New York State was equal to the amount of New York State personal income tax owed by him for the year 1974.

II. Whether petitioner, Chafouleas, was a resident of New York State during the year 1974.

FINDINGS OF FACT

1. The petitioner, Chafouleas, was arrested near Kingston, N.Y. on April 22, 1974 and charged with criminal possession of a controlled substance in violation of Sec. 220.09(1) of the Penal Law. This drug related charge was dismissed on June 5, 1974.

2. A companion charge against petitioner, Chafouleas, for alleged possession of a controlled substance in violation of Sec. 220.03 of the Penal Law was referred to the grand jury of Ulster County. The grand jury failed to indict and sent the matter back to the Justice Court of Kingston. There, the prosecutor and Chafouleas' attorney agreed on the taxpayer's pleading "guilty" to a charge of disorderly conduct to cover all charges.

3. At the time of petitioner Chafouleas' arrest, he was found to have \$7,199.90 in the glove compartment of his automobile. The New York State police seized the cash found in his car and on May 3, 1974 the Income Tax Bureau issued a jeopardy assessment for the income tax period from January 1, 1974 to April 24, 1974 in the amount of \$7,199.90, the amount of income tax due on an alleged income of \$59,266.00.

4. The petitioner, Chafouleas, filed a timely petition for a redetermination of his income tax deficiency.

5. The petitioner, Chafouleas, last filed a New York State income tax return in 1966 as a resident of Kingston, N.Y. where he was domiciled with his mother.

6. The petitioner, Chafouleas entered Arizona State University at Tempe Arizona in September, 1966 and remained in residence there until graduation in June, 1971.

7. From June, 1971 until April 1974, petitioner Chafouleas resided in Arizona, making occasional visits to his mother in Kingston, N.Y. and returning to Arizona to work.

8. Arizona state income tax returns were filed by petitioner, Chafouleas for 1973 and 1974. Federal income tax returns for 1973 and 1974 were filed from an Arizona address.



9. Petitioner, Chafouleas, earned net income of \$5784.00 outside of New York State during the year 1974.

10. Petitioner Chafouleas did not have a reasonable explanation as to the source of the cash seized at the time of his arrest.

11. Petitioner, Chafouleas did not maintain a permanent place of abode in and spent less than 183 days in New York State during the year 1974.

CONCLUSIONS OF LAW

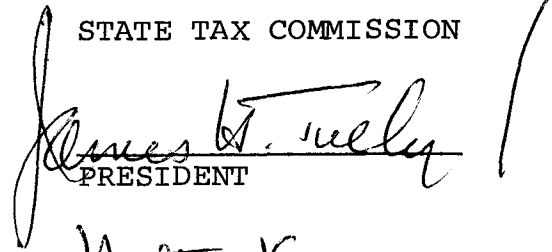
A. That in the absence of a credible explanation of the source of a large sum of cash in the possession of petitioner, Chafouleas it may be reasonably postulated that the \$7,199.90 in cash was derived from New York State sources.

B. That petitioner, Chafouleas, was a resident of the State of Arizona during the year 1974, since he was domiciled in Arizona, did not maintain a permanent place of abode in New York State and spent less than 183 days in New York State in accordance with the meaning and intent of section 605(a)(2) of the Tax Law. Therefore, the additional sum of \$5,184.00 earned by him outside of New York State was not subject to New York State personal income tax.

C. That the petition of Christopher Peter Chafouleas is granted to the extent of reducing his New York State taxable income for the year 1974 from \$59,266.00 to \$7,199.90 and of reducing personal income tax due from \$7,199.90 to \$197.97; that the Income Tax Bureau is hereby directed to refund to him the sum of \$6,990.03 together with such interest as may be lawfully owing; and that, except as so granted, the petition is in all other respects denied.

DATED: Albany, New York  
August 20, 1976

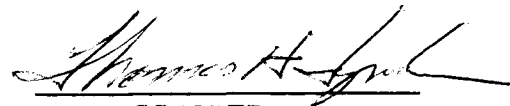
STATE TAX COMMISSION



PRESIDENT



COMMISSIONER



COMMISSIONER