

STATE OF NEW YORK
STATE TAX COMMISSION

U.S.T. - [unclear]
A-2
Elyachar, Jehiel R.

In the Matter of the Petition

of
JEHIEL R. ELYACHAR

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

For a Redetermination of a Deficiency or
a Refund of Unincorporated Business:
Taxes under Article(s) 16-A of the
Tax Law for the (Year(s) 1959

State of New York
County of Albany

Janet Wright, 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 6th day of October, 1969, she served the within
Notice of ~~DECISION~~ (or Determination) by ~~(CERTIFIED)~~ mail upon

Jehiel R. Elyachar (~~representative of~~) the petitioner in the within
proceeding, by enclosing a true copy thereof in a securely sealed postpaid

wrapper addressed as follows: Mr. Jehiel R. Elyachar
8 East 48th Street
New York, 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

7th day of October, 1969

Grace E.ritchard

Janet Wright

STATE OF NEW YORK
STATE TAX COMMISSION

In the Matter of the Petition

of

JEHIEL R. ELYACHAR

For a Redetermination of a Deficiency or
a Refund of Unincorporated Business :
Taxes under Article(s) 16-A of the
Tax Law for the (Year(s) 1959 :

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

State of New York
County of Albany

Janet Wright , 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 6th day of October , 1969, she served the within
Notice of ~~Determination~~ (or Determination) by (~~CERTIFIED~~) mail upon

Louis Ternbach (representative of) the petitioner in the within
proceeding, by enclosing a true copy thereof in a securely sealed postpaid
wrapper addressed as follows: Louis Ternbach, CPA
60 East 42 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

7th day of October , 1969.

Grace E. Pritchard

Janet Wright

To STATE TAX COMMISSION

Signatures needed on two copies of this
determination.

7/14/69

A handwritten signature in dark ink, appearing to be 'ER' followed by a horizontal stroke and a period.

From Edward Rook



PATCH T (FILE A)

To. Mr. Rook

To be submitted to Commission,
signature needed on 2 copies
of determination, upon your
approval.

July 11, 1969

NW:lh

From Nigel G. Wright

PATCH T (FILE A)



(4) Assessment No. TF 252978 was paid. Assessment AB 047162 was not paid and taxpayer, Jehiel R. Elyachar, on April 5, 1963 filed completed form IT 113 requesting revision of that assessment on the ground that the amount of \$27,600 received from five corporations was for services as an officer and executive of those corporations and was separate and distinct from fees paid to taxpayer for management fees as Central Management Service.

(5) During the year 1959, the taxpayer, Jehiel R. Elyachar, was president, principal executive and majority stockholder of five corporations from whom he received wages and from which wages' deductions were made as follows:

<u>Name of Corporation</u>	<u>Wages</u>	<u>Federal Withholding Tax</u>	<u>N.Y. State Withholding Tax</u>	<u>F.I.C.A.</u>
Timston Corporation	\$8,400	\$2,400	\$202.50	\$120
Gerel Corp.	9,600	2,400	273.60	120
Ruradan Corp.	4,800	1,200	63.90	120
210 E. 38th St. Corp.	1,800	324	-	45
Elrod Realty Corp.	3,000	600	10.80	75
	<u>\$27,600</u>	<u>\$6,924</u>	<u>\$550.80</u>	<u>\$480</u>

All the corporations conducted their business from 8 East 48th Street, New York City.

The taxpayer, Jehiel R. Elyachar, also conducted from the same address an unincorporated business under the name of Central Management Service to which the five corporations paid management fees in 1949 totaling \$55,663. The net income of the Central Management Service was \$46,184.16 upon which unincorporated business tax of \$1,612.37 was paid.

(6) The amounts paid to Central Management Service were similar to the charges which would be made by a commercial management agent for normal routine services based upon a percentage of gross rental and covered rent collection, minor repairs, janitorial and other routine services.

(7) The income paid to Jehiel R. Elyachar individually was salary paid to an officer and executive for negotiating mortgages, major alterations, property tax matters, litigation, and possible purchases of real property. The same executive services were performed for other corporations of which taxpayer was also the majority stockholder. The salaries were paid only by the corporations which in the opinion of Mr. Elyachar were able to do so.

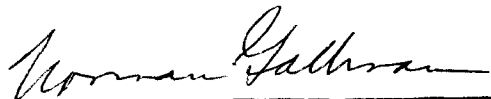
(8) That the corporate employment was separate and apart from the real estate management business and the salary from the corporations did not constitute receipts of the unincorporated business of management agent carried on by such individual.

Based upon the foregoing, the State Tax Commission hereby
DETERMINES:

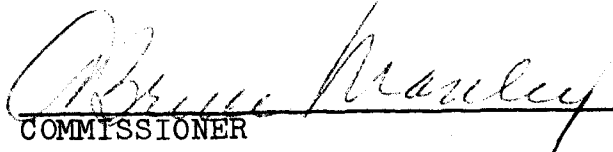
(A) That the Assessment AB 047162 for the year 1959 is incorrect, that the unincorporated business assessment for said year was improper and is hereby cancelled in full.

Dated: Albany, New York this 19th day of September, 1969.

STATE TAX COMMISSION



PRESIDENT



COMMISSIONER



COMMISSIONER