

STATE OF NEW YORK
STATE TAX COMMISSION

In the Matter of the Petition

of

JOHN NORMAN

For a Redetermination of a Deficiency or
a Refund of Unincorporated Business;
Taxes under Article(s) 23 of the
Tax Law for the (Year(s) 1963 and
1964

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

State of New York
County of Albany

Lynn Wilson, 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 29th day of January, 1973, she served the within
Notice of Decision (or Determination) by (certified) mail upon JOHN NORMAN

(representative of) the petitioner in the within
proceeding, by enclosing a true copy thereof in a securely sealed postpaid
wrapper addressed as follows: John Norman
2 Sutton Place So.
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

29th day of January, 1973

Matthew J. Wilson

Lynn Wilson

Paul Coburn had me
send this out regular
mail - 1/29/73.

Linda Wilson

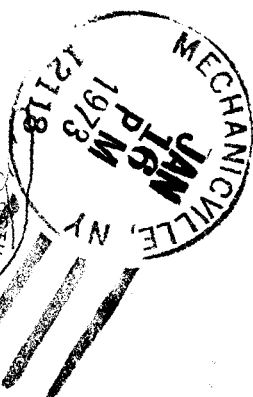
STATE OF NEW YORK
Department of Taxation and Finance
STATE CAMPUS
ALBANY, N. Y. 12227

Rock

John Norman

2 Sutton Place So.

New York, New York



☐ Moved, left no address

☒ No such number

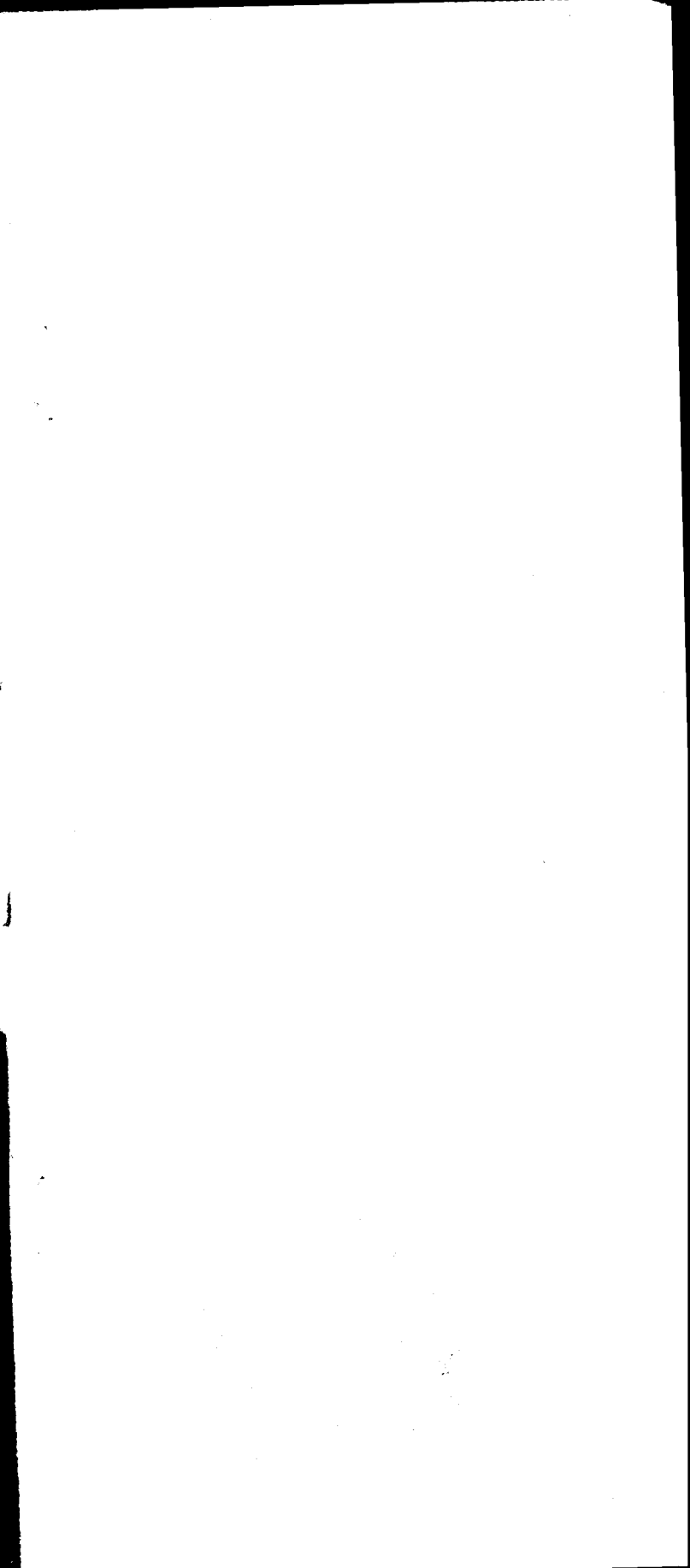
☐ Known, not forwardable

☐ Addressee unknown

NEW YORK, N.Y. 10022

Received 1/16/73

Rock



STATE OF NEW YORK
STATE TAX COMMISSION

In the Matter of the Petition

of
JOHN NORMAN

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) 23 of the
Tax Law for the (Year(s) 1963 & 1964 :

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 15th day of January , 19 73, she served the within
Notice of Decision (or Determination) by (certified) mail upon John Norman

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

wrapper addressed as follows: John Norman
2 Sutton Place So.
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

15th day of January , 1973.

Lynn Wilson

Martha Funaro

STATE OF NEW YORK
STATE TAX COMMISSION

In the Matter of the Petition

of

JOHN NORMAN

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) 23 of the
Tax Law for the (Year(s) 1963 & 1964 :

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 15th day of January , 19 73, she served the within
Notice of Decision (or Determination) by (certified) mail upon Seymour N.
Handelman, Esq. (representative of) the petitioner in the within
proceeding, by enclosing a true copy thereof in a securely sealed postpaid
wrapper addressed as follows: Seymour N. Handleman, Esq.
55 West 42nd Street
New York, New York 10036

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

1973

15th day of January , 1973 .

Seymour N. Handleman

Martha Funaro



STATE OF NEW YORK
DEPARTMENT OF TAXATION AND FINANCE

BUILDING 9, ROOM 214A
STATE CAMPUS

ALBANY, N. Y. 12227

AREA CODE 518

457-2655, 6, 7

STATE TAX COMMISSION

NORMAN F. GALLMAN, PRESIDENT

A. BRUCE MANLEY

MILTON KOERNER

STATE TAX COMMISSION
HEARING UNIT

EDWARD ROOK
SECRETARY TO
COMMISSION

ADDRESS YOUR REPLY TO

Dated: Albany, New York

January 15, 1973

**John Norman
2 Sutton Place So.
New York, New York**

Dear Mr. Norman:

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

Please take further notice that pursuant to **section 722 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 relat-
ing 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

cc Petitioner's Representative
Law Bureau

STATE OF NEW YORK

STATE TAX COMMISSION

In the Matter of the Petition	:	
of	:	
JOHN NORMAN	:	DECISION
for Redetermination of Deficiency or	:	
for Refund of Unincorporated Business	:	
Tax under Article 23 of the Tax Law for	:	
the Years 1963 and 1964.	:	

Petitioner, John Norman, has filed a petition for redetermination of deficiency or for refund of unincorporated business tax under Article 23 of the Tax Law for the years 1963 and 1964. (File No. 28062548). A formal hearing was held before Paul B. Coburn, Hearing Officer, at the offices of the State Tax Commission, 80 Centre Street, New York, New York, on October 17, 1972 at 1:15 p.m. Petitioner appeared by Seymour N. Handelman, Esq. The Income Tax Bureau appeared by Saul Heckelman, Esq., (Solomon Sies, Esq., of Counsel).

ISSUES

I. Did petitioner, John Norman's activities as a fashion design consultant during the years 1963 and 1964 constitute the practice of a profession.

II. Did petitioner, John Norman, have reasonable cause for failing to file New York State unincorporated business tax returns for the years 1963 and 1964.

FINDINGS OF FACT

1. Petitioner, John Norman, filed New York State income tax resident returns for the years 1963 and 1964. He did not file New York State unincorporated business tax returns for said years.

2. On September 25, 1967, the Income Tax Bureau issued a Statement of Audit Changes against petitioner, John Norman imposing

unincorporated business tax in the sum of \$872.04 upon the income received by him from his activities as a designer stylist during the years 1963 and 1964. It also imposed a penalty in the sum of \$218.01 for failure to file New York State unincorporated business tax returns for said years. In accordance with the aforesaid Statement of Audit Changes, it issued a Notice of Deficiency in the sum of \$1,242.26.

3. Petitioner, John Norman, was a well-known free lance design consultant during the years 1963 and 1964. He designed men's and women's swimwear and sportswear for leading manufacturers of such types of apparel. He had yearly retainers from eight firms. He worked with the clients' designers on the high fashion end of the clients' apparel lines. He prepared sketches of proposed designs which he submitted to the clients. He suggested the types, patterns and colors of materials to be used. The clients then had samples made. He then corrected the samples until they met his and the clients' specifications.

4. Petitioner, John Norman, did not have any formal education beyond high school. He was employed by a department store known as McCreery & Sons from 1940 to 1942 and from 1945 to 1946. He was employed by a couturier known by the name of Margett as a designer from 1946 to 1948. He designed and manufactured his own lines of women's wear from 1948 to 1954. He was employed by Julius Kayser & Company and its subsidiary Catalina, Inc. of California as men's designer and then head designer from 1954 to 1963. He appeared as a fashion expert on numerous radio and television talk shows. He co-authored a book on sewing.

5. During the years 1963 and 1964 petitioner, John Norman's income as a fashion design consultant was derived from personal services rendered. Capital was not a material income producing factor.

6. Petitioner, John Norman, was advised by his accountant that he was not required to file New York State unincorporated business tax returns for the years 1963 and 1964.

CONCLUSIONS OF LAW

A. That the activities of petitioner, John Norman, as a fashion design consultant during the years 1963 and 1964, although requiring special knowledge and experience, did not constitute the practice of a profession exempt from the imposition of the unincorporated business tax in accordance with the meaning and intent of section 703(c) of the Tax Law.

B. That the aforesaid activities of petitioner, John Norman, during the years 1963 and 1964 constituted the carrying on of an unincorporated business and his income derived therefrom was subject to the unincorporated business tax in accordance with the meaning and intent of section 703 of the Tax Law.

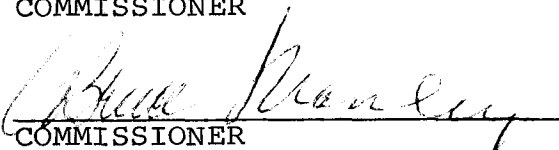
C. That petitioner, John Norman, had reasonable cause for not filing New York State unincorporated business tax returns for the years 1963 and 1964, and, therefore, the penalty assessed pursuant to section 685(a) of the Tax Law is waived.

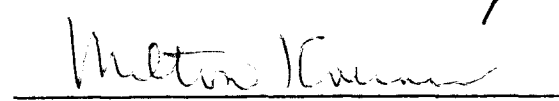
D. That the petition of John Norman is granted to the extent of cancelling the penalty imposed pursuant to section 685(a) of the Tax Law for the years 1963 and 1964 in the sum of \$218.01; that the Income Tax Bureau is hereby directed to accordingly modify the Notice of Deficiency issued September 25, 1967; and, that except as so granted, the petition is in all other respects denied.

DATED: Albany, New York
January 15, 1973

STATE TAX COMMISSION

COMMISSIONER


COMMISSIONER


COMMISSIONER