

STATE OF NEW YORK  
STATE TAX COMMISSION

In the Matter of the Petition

of

ISADORE DRETZIN, and CLARA Y.  
DRETZIN, his wife

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) 1961, 1962 &  
1963.

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 1st day of February, 1974, she served the within  
Notice of Decision (or Determination) by (certified) mail upon ISADORE DRETZIN, and  
CLARA Y. DRETZIN, (representative of) the petitioner in the within  
his wife  
proceeding, by enclosing a true copy thereof in a securely sealed postpaid

wrapper addressed as follows: Mr. and Mrs. Isadore Dretzin  
25 Sutton Place, South  
New York, New York 10022

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

1st day of February, 1974

*Joseph A. Van Patten*

*Martha Funaro*

STATE OF NEW YORK  
STATE TAX COMMISSION

In the Matter of the Petition

of

ISADORE DRETZIN, and CLARA Y.  
DRETZIN, his wife

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) 1961, 1962 & :  
1963.

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 1st day of February, 1974, she served the within  
Notice of Decision (or Determination) by (certified) mail upon MERVIN ROSENMAN, ESQ.

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

Mervin Rosenman, Esq.  
32 East 57th Street  
New York, New York 10022

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

1st day of February, 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

~~XXXXXXXXXX~~ PRESIDENT

A. BRUCE MANLEY

MILTON KOERNER

ADDRESS YOUR REPLY TO

DATED: Albany, New York  
February 1, 1974

Mr. and Mrs. Isadore Dretzin  
25 Sutton Place, South  
New York, New York 10022

Dear Mr. and Mrs. Dretzin:

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

Please take further notice that pursuant to  
Section(s) **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

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In the Matter of the Petition	:	
of	:	
ISADORE DRETZIN, and CLARA Y.	:	
DRETZIN, his wife	:	DECISION
for Redetermination of Deficiency or	:	
for Refund of Unincorporated Business	:	
Taxes under Article 23 of the Tax Law	:	
for the Years 1961, 1962 and 1963.	:	

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Isadore Dretzin and Clara Y. Dretzin, his wife, have filed a petition for a redetermination of a deficiency or for refund of unincorporated business taxes under Article 23 of the Tax Law for the years 1961, 1962 and 1963. A formal hearing was held before Vincent P. Molineaux, Hearing Officer, in the offices of the State Tax Commission in the City of New York on November 28, 1967. The petitioner, Isadore Dretzin, appeared and was represented by Mervin Rosemann, Esq., (Philip Dunne, Esq., of Counsel).

ISSUE

Was income received by petitioner, Isadore Dretzin, from The Connecticut Mutual Life Insurance Company and The Josephson Agency during the years 1961, 1962 and 1963, subject to the unincorporated business tax?

FINDINGS OF FACT

1. Taxpayer filed unincorporated business tax returns for the years 1961, 1962 and 1963.
2. On April 13, 1965, the Income Tax Bureau issued a Statement of Audit Changes, File No. 3-8031557, assessing taxpayer unincorporated business taxes as follows:

<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>Interest</u>
\$949.26	\$1,324.26	\$898.07	\$382.90
<u>Total:</u>			\$3,554.49

These figures were based upon income received by taxpayer as an agent for The Connecticut Mutual Life Insurance Company, and as supervisor for The Josephson Agency.

3. During the years in question, taxpayer was a full-time insurance agent with The Connecticut Mutual Life Insurance Company. Taxpayer was prohibited from selling life insurance of other life insurance companies without the approval of The Connecticut Mutual Life Insurance Company.

4. Taxpayer was provided with an office at The Josephson Agency. All equipment, typewriter, and supplies were paid for by The Josephson Agency. Secretarial allowances were reimbursed to the taxpayer by The Josephson Agency. Telephone service was provided and paid for by The Josephson Agency. Taxpayer had no separate telephone listing; his phone number was the same as The Josephson Agency.

5. In addition to his duties as full-time agent of Connecticut Mutual Life Insurance Company, taxpayer was a senior supervisor at The Josephson Agency. As senior supervisor, taxpayer was required to handle any advance underwriting that arose from sales by other agents in The Josephson Agency. Taxpayer was required to meet daily with the general agent to discuss the underwriting problems that arose. As senior supervisor, taxpayer received a salary from The Josephson Agency, and had social security and health and retirement contributions withheld.

6. During the years in question, taxpayer also sold other forms of policies not handled or offered by The Connecticut Mutual Life Insurance Company. The percentages of his commission income resulting from sales through The Connecticut Mutual Life Insurance Company are as follows:

<u>1961</u>	<u>1962</u>	<u>1963</u>
72.2%	76.38%	78.15%

CONCLUSIONS OF LAW

A. Taxpayer, in his capacity as supervisor in The Josephson Agency, is an employee of that agency, and his salary therefrom should be excluded for unincorporated business tax purposes. The notices of deficiency for the years 1961, 1962 and 1963 are hereby cancelled to that extent.

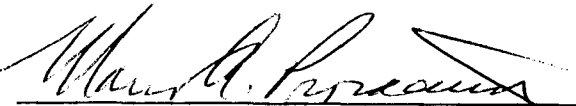
B. As a full-time life insurance agent for The Connecticut Mutual Life Insurance Company, taxpayer's commissions on sales of The Connecticut Mutual Life Insurance Company should be excluded for unincorporated business tax purposes. The notices of deficiency for the years 1961, 1962 and 1963 are hereby cancelled to that extent.

C. All commissions earned by the taxpayer on sales of insurance of companies other than The Connecticut Mutual Life Insurance Company are subject to unincorporated business taxes. The notices of deficiency for the years 1961, 1962 and 1963 are hereby sustained to that extent.

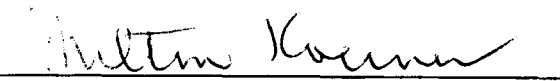
D. The petition is granted to the extent set out above, and the Income Tax Bureau is hereby directed to accordingly modify the Notice of Deficiency heretofore issued.

DATED: Albany, New York  
February 1, 1974

STATE TAX COMMISSION

  
COMMISSIONER

  
COMMISSIONER

  
COMMISSIONER