

STATE OF NEW YORK
STATE TAX COMMISSION

In the Matter of the Petition

of

A. DOUGLAS KRAGH

AFFIDAVIT OF MAILING

For a Redetermination of a Deficiency or :
a Revision of a Determination or a Refund :
of Unincorporated Business :
Taxes under Article ~~(X)~~ 23 of the :
Tax Law for the Year(s) ~~on Period(s)~~ :
1969 and 1970

State of New York
County of Albany

Bruce Batchelor , 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 25th day of May , 1977 , she served the within
Notice of Decision by (certified) mail upon A. Douglas Kragh
~~(representative of)~~ the petitioner in the within proceeding,
by enclosing a true copy thereof in a securely sealed postpaid wrapper addressed
as follows: Mr. A. Douglas Kragh
115 Wappanocca Avenue
Rye, New York 10580
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)~~
~~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

25th day of May , 1977.

Bruce Batchelor

Janet Mack

STATE OF NEW YORK
STATE TAX COMMISSION

In the Matter of the Petition

of

A. DOUGLAS KRAGH

AFFIDAVIT OF MAILING

For a Redetermination of a Deficiency or :
a Revision of a Determination or a Refund :
of Unincorporated Business :
Taxes under Article(s) 23 of the :
Tax Law for the Year(s) ~~1969 and 1970~~ :
1969 and 1970

State of New York
County of Albany

Bruce Batchelor , being duly sworn, deposes and says that
he is an employee of the Department of Taxation and Finance, over 18 years of
age, and that on the 25th day of May , 19 77, he served the within
Notice of Decision by (certified) mail upon Hanns Ronis
(representative of) the petitioner in the within proceeding,
by enclosing a true copy thereof in a securely sealed postpaid wrapper addressed
as follows: Mr. Hanns Ronis
132 West Boston Post Road
Mamaroneck, New Jersey
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

25th day of May , 19 77

Bruce Batchelor

Janet Mack



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

May 25, 1977

TELEPHONE: (518) ~~457-1723~~

Mr. A. Douglas Kragh
115 Wappanocosa Avenue
Rye, New York 10580

Dear Mr. Kragh:

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

Please take further notice that pursuant to
Section(3) **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.

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,

Frank J. Puccio
FRANK J. PUCCIA
Supervisor of
Small Claims Hearings

Enc.

cc: Petitioner's Representative:
Mr. Hams Ronis
132 West Boston Post Road
Mamaroneck, New Jersey
Taxing Bureau's Representative:

II. Whether the petitioner, A. Douglas Kragh, had reasonable cause for failing to file unincorporated business tax returns for the years 1969 and 1970.

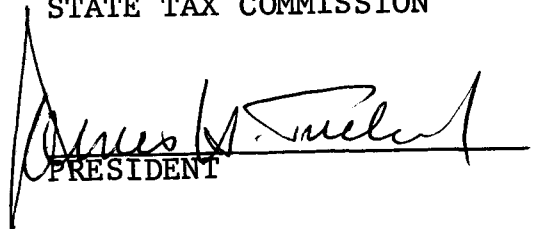
FINDINGS OF FACT & CONCLUSIONS OF LAW

1. The petitioner, A. Douglas Kragh's work consisted of industrial interior design and space planning. He attended college at Columbia University, School of Architecture, during the years 1926, 1927 and 1928. He did not receive a degree and is not licensed by the State of New York.
2. That capital was not a material income producing factor and more than 80 percent of his income was derived from services rendered by the petitioner.
3. Petitioner was advised by his accountant that he was not required to file New York State unincorporated business tax returns for the years 1969 and 1970.
4. The activities performed by the petitioner, for the years 1969 and 1970, 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.
5. The petitioner had reasonable cause for failing to file New York State unincorporated business tax returns for the years 1969 and 1970, and therefore the penalties assessed pursuant to sections 685(a)(1) and (a)(2) of the Tax Law are waived.

6. The petition of A. Douglas Kragh is granted to the extent of cancelling the penalties imposed in the sum of \$157.56 for the years 1969 and 1970; that the Income Tax Bureau is hereby directed to accordingly modify the Notice of Deficiency issued January 29, 1973; and, that except as so granted, the petition is in all other respects denied.

DATED: Albany, New York
May 25, 1977

STATE TAX COMMISSION


PRESIDENT


COMMISSIONER


COMMISSIONER