

STATE OF NEW YORK

STATE TAX COMMISSION

In the Matter of the Petition :  
of :  
Goodbody & Co., Incorporated :  
Successor in Interest to Goodbody & Co. : AFFIDAVIT OF MAILING  
:  
for Redetermination of a Deficiency or Revision :  
of a Determination or Refund of Unincorporated :  
Business Tax under Article 23 of the Tax Law for :  
the Years 1965 - 1967. :

State of New York }

ss.:

County of Albany }

David Parchuck, being duly sworn, deposes and says that he is an employee of the State Tax Commission, that he is over 18 years of age, and that on the 4th day of May, 1984, he served the within notice of Decision by certified mail upon Goodbody & Co., Incorporated, Successor in Interest to Goodbody & Co., the petitioner in the within proceeding, by enclosing a true copy thereof in a securely sealed postpaid wrapper addressed as follows:

Goodbody & Co., Incorporated  
Successor in Interest to Goodbody & Co.  
c/o Eugene Chester  
20 Exchange Place  
New York, NY 10005

and by depositing same enclosed in a postpaid properly addressed wrapper in a post office 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 petitioner herein and that the address set forth on said wrapper is the last known address of the petitioner.

Sworn to before me this  
4th day of May, 1984.

David Parchuck

Carmie A. [Signature]  
Authorized to administer oaths  
pursuant to Tax Law section 174

STATE OF NEW YORK

STATE TAX COMMISSION

In the Matter of the Petition	:	
of	:	
Goodbody & Co., Incorporated	:	
Successor in Interest to Goodbody & Co.	:	AFFIDAVIT OF MAILING
for Redetermination of a Deficiency or Revision	:	
of a Determination or Refund of Unincorporated	:	
Business Tax under Article 23 of the Tax Law for	:	
the Years 1965 - 1967.	:	

State of New York }  
                                  ss.:  
County of Albany }

David Parchuck, being duly sworn, deposes and says that he is an employee of the State Tax Commission, that he is over 18 years of age, and that on the 4th day of May, 1984, he served the within notice of Decision by certified mail upon Eugene Chester, the representative of the petitioner in the within proceeding, by enclosing a true copy thereof in a securely sealed postpaid wrapper addressed as follows:

Eugene Chester  
Everett, Johnson & Breckinridge  
20 Exchange Place  
New York, NY 10005

and by depositing same enclosed in a postpaid properly addressed wrapper in a post office 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  
4th day of May, 1984.

David Parchuck

Conrad J. Chaplin  
Authorized to administer oaths  
pursuant to Tax Law section 174

STATE OF NEW YORK  
STATE TAX COMMISSION  
ALBANY, NEW YORK 12227

May 4, 1984

Goodbody & Co., Incorporated  
Successor in Interest to Goodbody & Co.  
c/o Eugene Chester  
20 Exchange Place  
New York, NY 10005

Gentlemen:

Please take notice of the Decision of the State Tax Commission enclosed herewith.

You have now exhausted your right of review at the administrative level. Pursuant to section(s) 690 & 722 of the Tax Law, a proceeding in court to review an adverse decision by the State Tax Commission may be instituted only under Article 78 of the Civil Practice Law and Rules, and must be commenced in the Supreme Court of the State of New York, Albany County, within 4 months from the date of this notice.

Inquiries concerning the computation of tax due or refund allowed in accordance with this decision may be addressed to:

NYS Dept. Taxation and Finance  
Law Bureau - Litigation Unit  
Building #9, State Campus  
Albany, New York 12227  
Phone # (518) 457-2070

Very truly yours,

STATE TAX COMMISSION

cc: Petitioner's Representative  
Eugene Chester  
Everett, Johnson & Breckinridge  
20 Exchange Place  
New York, NY 10005  
Taxing Bureau's Representative

STATE OF NEW YORK

STATE TAX COMMISSION

In the Matter of the Petition	:	
of	:	
GOODBODY & CO., INCORPORATED	:	DECISION
SUCCESSOR IN INTEREST TO GOODBODY & CO.	:	
for Redetermination of a Deficiency or for	:	
Refund of Unincorporated Business Tax under	:	
Article 23 of the Tax Law for the Years 1965	:	
through 1967.	:	

Petitioner, Goodbody & Co., Incorporated, successor in interest to Goodbody & Co., c/o Eugene Chester, 20 Exchange Place, New York, New York 10005, filed a petition for redetermination of a deficiency or for refund of unincorporated business tax under Article 23 of the Tax Law for the years 1965 through 1967 (File No. 23239).

A formal hearing was held before Arthur Bray, Hearing Officer, at the offices of the State Tax Commission, Two World Trade Center, New York, New York, on March 17, 1983 at 2:00 P.M., with all briefs to be submitted by August 15, 1983. Petitioner appeared by Everett, Johnson & Breckinridge (Eugene Chester, Esq., of counsel). The Audit Division appeared by John P. Dugan, Esq. (Irwin A. Levy, Esq., of counsel).

ISSUES

I. Whether the Audit Division properly concluded that forty percent of petitioner's commission income arising from stock transactions originating outside of New York and executed in New York during the years 1965 through 1969 was subject to New York State unincorporated business tax; and if so, whether petitioner is barred from claiming a net operating loss for the year 1968 on the ground that it consented to a deficiency for the year 1968.

II. Whether petitioner's claims for refunds based on a net operating loss carryback were properly disallowed on the ground that member partners in the carryback years did not have at least an 80 percent interest in the loss year, i.e. 1969.

FINDINGS OF FACT

1. On November 20, 1970, Goodbody & Co., filed timely claims for refunds for the years 1965, 1966 and 1967 claiming net operating loss carrybacks from the years 1968 and 1969. The claims were rejected by the Audit Division. Goodbody & Co., Incorporated, as successor in interest to Goodbody & Co., timely filed petitions challenging the denial of the refunds and this proceeding ensued.

2. Prior to the hearing, the parties stipulated to the following pertinent facts:

A. Goodbody & Co., hereinafter sometimes referred to as "petitioner", was a New York partnership which was engaged in the securities business as a broker and dealer. Petitioner maintained its head office in New York, New York and had branch offices located throughout the United States and outside of the United States.

B. The petitioner filed timely New York State unincorporated business tax returns for the calendar years 1965, 1966, 1967 and 1969. The 1968 return was filed on May 19, 1969. The 1965 through 1969 returns reflected the following amounts of tax due and taxable business income and/or loss:

	<u>Taxable Business Income or (Loss)</u>	<u>Tax Due</u>
1965	\$2,073,612.04	\$ 82,944.48
1966	1,908,894.43	76,355.78
1967	4,893,785.44	195,751.42
1968	(1,776,961.20)	-0-
1969	(8,854,302.88)	-0-

C. As a result of audits of petitioner's 1965, 1966 and 1968 unincorporated business tax returns, its taxable income and/or loss for said years was revised as follows and the indicated deficiencies asserted:

	<u>Corrected Taxable Business Income</u>	<u>Net Deficiency</u>	<u>Audit #</u>
1965	\$2,819,816.38	\$29,848.17	NA17832 & N-18744
1966	3,411,270.25	60,095.13	NA17832 & N-18744
1968	5,068.00	279.00	N-18744

Petitioner consented to each of the above deficiencies.

D. The following notice and demand forms were issued in connection with the audits for the years 1965, 1966 and 1968:

<u>Year</u>	<u>Audit #</u>	<u>Date of Notice &amp; Demand</u>	<u>Amount of Tax Deficiency (Overassessment)</u>
1965	NA17832 N-18744	December 7, 1970 March 20, 1974	\$25,184.92 4,663.25
1966	NA17832 N-18744	December 7, 1970 March 20, 1974	60,588.47 (493.34)
1968	N-18744	March 20, 1974	279.00

Petitioner has received neither payment of nor credit for the overassessment nor has it paid any of the above assessments.<sup>1</sup>

E. In the years 1965 through 1969, inclusive, petitioner earned the following amounts of commission income on securities orders originating outside of New York State and executed on exchanges in New York State ("listed business") and 40 percent of such income was treated as New York income:

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<sup>1</sup> It appears that the parties agreed prior to the hearing that neither the overpayment nor the assessment should be paid pending the resolution of this proceeding.

	(1) Commissions on Listed Business Originating Outside NY and Executed in NY	(2) Portion of Commissions in Column (1) Treated as New York Income (40% of Total)
1965	\$23,528,479.08	\$ 9,411,391.63
1966	30,299,078.47	12,119,631.69
1967	43,381,752.34	17,352,700.94
1968	49,019,811.65	19,607,924.66
1969	42,429,825.47	16,971,930.19

F. The distribution of petitioner's profits and/or losses was governed by the provisions of the limited partnership agreements entered into by the partners of the petitioner. Paragraphs 3 and 4 of the partnership agreements provide, among other things, that salary and interest paid to partners shall be treated as expenses of the business of the partnership. Paragraph 6(a) of the partnership agreements provides that if the expenses of the business of the partnership exceed its income, the deficit shall be borne solely by the general partners in accordance with their partnership interest.

G. The Statement of Income and Deduction filed as part of petitioner's 1968 Federal Partnership Return shows an "ordinary income" amount of \$6,053,370.04. This amount reflected a deduction of \$1,998,078.52 for salaries and interest paid by petitioner to the various partners.

H. The following items of income and expense received and/or paid by the petitioner in 1968 are deemed correct:

Federal ordinary income	\$6,053,370.04
Federal net long-term capital gain	797,245.51
Federal net short-term capital gain	1,779,802.53
Federal dividend income	331,276.99
State/municipal interest income	
outside of New York	850,564.19
Contributions	(133,637.45)

I. The Statement of Income and Deduction filed as part of petitioner's 1969 Federal Partnership Return shows an "ordinary" loss of \$3,353,995.53. This amount reflected a deduction of \$2,059,459.15 for salaries and interest paid by the petitioner to the various partners.

J. The following items of income and expense received and/or paid by the petitioner in 1969 are deemed correct:

Federal ordinary loss	\$(3,353,995.53)
Federal net long-term capital gain	444,156.56
Federal net short-term capital gain	1,386,268.89
Federal dividend income	99,614.46
State/municipal interest income outside of New York	480,926.69
Contributions	(43,759.42)

K. For the years 1965, 1966, 1967, 1968 and 1969, respectively, the amount of each partner's share of petitioner's federal ordinary income or loss, salaries and interest received by each of the partners, federal qualifying dividends, federal net-short-term capital gain or loss, federal long-term capital gain or loss, municipal interest received on obligations issued by states and municipalities outside New York, New York State unincorporated business tax paid, interest received on obligations of the United States, and federal charitable deductions paid are agreed to and not in issue.

3. During the years 1965 through 1969, petitioner allocated to New York fifty percent of its commission income arising from commodity and bond orders originating outside of New York and executed in New York. During the years 1965 through 1969, petitioner allocated to New York forty percent of its commission income arising from stock transactions originating outside of New York and executed in New York.



4. Petitioner was a clearing firm. That is, it was a member of the Stock Clearing Corporation which, at that time, was a subsidiary of the New York Stock Exchange. This means that petitioner cleared all the transactions it executed on the floor of the New York Exchange under its own name. Consequently, petitioner did not pay any other firm to clear transactions for it.

5. During the years 1965 through 1969, the New York Stock Exchange maintained records which reflected the average amount paid by a non-clearing firm as a percentage of the commission the non-clearing firm receives from the purchase or sale of a New York Stock Exchange Security. During the years 1965 through 1969, these percentages were as follows:

1965	25.8%
1966	25.5%
1967	26.1%
1968	26.2%
1969	28.1%

6. If petitioner were not a clearing firm but had hired a firm to do its clearing, it would have paid a lower percentage than the average reflected in Finding of Fact "5" because of the volume of petitioner's transactions. This lower percentage would be subject, however, to a minimum commission rate of approximately twenty percent for executing a clearing transaction on the New York Stock Exchange.

7. At the hearing, the Audit Division argued, with regard to the year 1968, that having consented to an assessment of a deficiency for the year 1968, petitioner may not claim a refund for the year 1965 based upon a carryback of a 1968 net operating loss. The Audit Division also argued, with respect to the years 1968 and 1969, that allocating forty percent of the commission income to New York on orders originating outside of New York State and executed in New York State was appropriate.

8. With respect to the year 1969, the Audit Division and petitioner presented conflicting methods of determining whether petitioner's partners had the requisite interest in the years to which petitioner wished to carry back the net operating loss. In essence, the Audit Division sought to base the computation of the partnership interest of the partners in the carryback years upon the actual distributions to the partners. In doing so, the Audit Division subtracted the net unincorporated business deductions which were distributed to certain partners from the net unincorporated business gross income which was distributed to other partners. This amount was then used as the denominator to determine each partner's respective interest in the carryback year. Petitioner, on the other hand, sought to premise the computation of the partners' interests in the carryback years upon the distributions of income and expense required by the partners' limited partnership agreement rather than the actual distributions to each of the partners.

#### CONCLUSIONS OF LAW

A. That the Audit Division's argument that, having consented to a deficiency for the year 1968, petitioner may not claim a loss in 1968 is fallacious. Section 689(g) of the Tax Law provides, in part, that "[t]he tax commission shall consider such facts with relation to the taxes for other years as may be necessary correctly to determine the tax for the taxable year..." (emphasis supplied). Since petitioner timely filed claims for refunds for the years 1965, 1966 and 1967, the State Tax Commission may determine whether petitioner had a net operating loss in 1968. It is noted that no decision is being made as to whether there was overpayment or underpayment of tax in 1968.

B. That although the allocation of forty percent of the commission income to New York on stock transactions originating outside of New York and executed

in New York was permitted by the regulations of the State Tax Commission in effect during the periods in issue (20 NYCRR 287.1, Question 82-a), the allocation percentage was without support and was therefore erroneous (Matter of Bradford & Co. v. State Tax Comm., 62 A.D.2d 69; Matter of Walker & Co. v. State Tax Comm., 69 A.D.2d 77; Matter of Advest Co., State Tax Commission, May 23, 1980). Since the record establishes that petitioner, as a clearing firm, would have had a lower percentage of its commission income on stock transactions subject to tax than a non-clearing firm, and since the record does not clearly establish the appropriate ratio, the Audit Division, upon all of the facts and circumstances presented, is hereby directed to recompute petitioner's commission income from the sale of stock for the years 1968 and 1969 on the basis that twenty-five percent of petitioner's commission income earned on stock transactions originating outside of New York and executed in New York should be considered income subject to New York unincorporated business tax.

It is noted that the recomputation of the commission income on the sale of stock is limited to the loss years in issue. Section 706 (subd. 2, par. [a]) of the Tax Law requires that the amount of the net operating loss incurred by the unincorporated business is determined "...in the same manner as the net operating loss deduction which would be allowable for the taxable year for federal income tax purposes if the unincorporated business were an individual taxpayer...". Revenue Ruling 81-88, 1981-1, C.B. 585 provides that, under the circumstances presented herein, if the statute of limitations has expired for claiming a refund, the amount of income in the year to which the net operating loss is carried back is not to be reduced by the amount of an unclaimed deduction. Inasmuch as the statute of limitations has expired on a claim for refund for

the years 1965 through 1967 (Tax Law §§687(a), (d); 722), an adjustment of petitioner's income during the carryback years would be inappropriate.

C. That section 706(2)(a) of the Tax Law provides, in part, that:

"A deduction shall be allowed for net operating losses incurred by the unincorporated business, except as otherwise provided by subparagraph (b) of this paragraph, in an amount computed in the same manner as the net operating loss deduction which would be allowable for the taxable year for federal income tax purposes if the unincorporated business were an individual taxpayer (but determined solely by reference to the unincorporated business gross income and unincorporated business deductions, allocated to New York, of the unincorporated business)."

D. That section 706(2)(b) of the Tax Law provides, in part, that:

"In the case of a partnership, no net operating loss carryback or carryover to any taxable year shall be allowed unless one or more of the partners during such taxable year were persons having a proportionate interest or interests, amounting to at least eighty percent of all such interests, in the unincorporated business gross income and unincorporated business deductions of the partnership which sustained the loss for which a carryback or carryover is claimed."

E. That in Matter of Newberger, Loeb & Co. (State Tax Commission, June 4, 1982), a procedure was set forth for computing the partners' proportionate interest in a partnership's unincorporated business gross income less deductions. The procedure set forth therein required that in computing the partners' proportionate interest, all items of income, gain, loss and deductions, with the exception of the partners' allowance for services and the statutory exemption, were to be taken into consideration. Moreover, the percentage of each partner's interest was to be computed regardless of whether one partner had a share of a loss while another had a share of income. In this regard, both income and loss distributions were considered positive amounts in determining the numerator and denominator. It is necessary to consider loss distributions as positive amounts since a partner with a net loss distribution clearly has an interest "...in the unincorporated business gross income and unincorporated business

deductions of the partnership..." [Tax Law §706(2)(b)]. It is noted that this method reflects each partner's actual interest in the net unincorporated business gross income and unincorporated business deductions.

F. That in view of the foregoing principles, it is clear that the methods followed by both the Audit Division and petitioner were erroneous. That is, the Audit Division's computations were faulty inasmuch as it failed to consider loss distributions as positive amounts. Petitioner's method is deficient inasmuch as it fails to reflect the actual reported distributions of unincorporated business gross income and unincorporated business deductions. This arises because petitioner would have the net distribution to each partner modified by the provisions of petitioner's limited partnership agreement.

G. That when the proper computations are performed,<sup>2</sup> petitioner's partners in 1969 did not have the requisite eighty percent interest in the unincorporated business gross income and unincorporated business deductions of the partnership in 1966 or 1967.

H. That the petition of Goodbody & Co., Incorporated, successor in interest to Goodbody & Co. is granted to the extent indicated in Conclusions of

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<sup>2</sup> The computations are attached hereto as an appendix. They are based upon amounts which were stipulated. The first column was computed by adding, through the method outlined in Conclusion of Law "E", the following amounts: ordinary income or loss; qualifying dividends, net short-term gain; net long-term gain; municipal interest outside New York; federal contributions; and the actual salaries and interest reported by the partners on their United States and New York State tax returns.

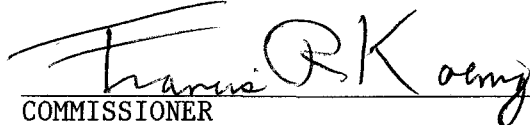
Law "A" and "B" and the Audit Division is directed to recompute petitioner's refund in accordance herewith; the petition is, in all other respects, denied.

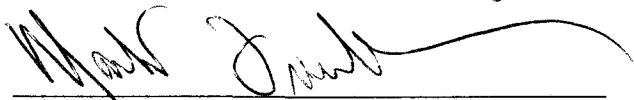
DATED: Albany, New York

STATE TAX COMMISSION

MAY 04 1984

  
PRESIDENT

  
COMMISSIONER

  
COMMISSIONER

# APPENDIX

	Excess of U.B.T. Gross Income Minus U.B.T. Deductions	Partners' Percentage of Interest in 1969	1969 Partners' Percentage of Interest in 1966	1969 Partners' Percentage of Interest in 1967
Harold P. Goodbody	\$ 8,976.04	.8036	.8036	.8036
James A. Hetherington, II	11,731.31	1.0503	1.0503	1.0503
Frank E. Voorheis	14,531.70	1.3010	1.3010	1.3010
Frank W. Bryan	19,137.91	1.7134	1.7134	1.7134
John P. Lins	(551.68)	.0494	.0494	.0494
Alfred M. Seaber	(5,084.02)	.4552	.4552	.4552
Joseph B. Binford	5,712.44	.5114	.5114	.5114
Joseph F. Neil, Jr.	(3,263.38)	.2922	.2922	.2922
Edward J. Larkin	28,291.45	2.5329	2.5329	2.5329
Werner Lehnberg	8,266.19	.7401	.7401	.7401
Frederick J. Millett	10,512.91	.9412	.9412	.9412
Hugh D. Dunlap	2,620.18	.2346	.2346	.2346
Roger E. Williams, Jr.	12,624.34	1.1303	1.1303	1.1303
James V. Esposito	14,008.57	1.2542	1.2542	1.2542
Thomas E. Feeley	11,209.40	1.0036	1.0036	1.0036
Laurence C. Keating	9,529.53	.8532	.8532	.8532
James E. Hogle	890.97	.0798	.0798	.0798
Edward N. Bagley	3,787.09	.3391	.3391	.3391
Henry E. Dahlberg	39,821.87	3.5653	3.5653	3.5653
G. Kenneth Handley	19,991.97	1.7899	1.7899	1.7899
Wendell M. Smoot, Jr.	11,221.29	1.0046	1.0046	1.0046
M. Matthew Nilssen	15,733.58	1.4086	1.4086	1.4086
Alfred B. Stevens	17,371.50	1.5553	1.5553	1.5553
G. Robert Ackerman	40,880.00	3.6600	3.6600	3.6600
Stephen Denning	6,592.75	.5902	.5902	.5902
Edwin S. Mullett	13,554.49	1.2135	1.2135	1.2135
Albert Roberts, III	13,467.38	1.2057	1.2057	1.2057
Frank G. Zarb	33,105.35	2.9639	2.9639	2.9639
Eric N. Ferguson	37,445.13	3.3525	3.3525	3.3525
Robert F. Schiffer	14,110.87	1.2633	1.2633	1.2633
John S. Clapp, Jr.	10,916.19	.9773	.9773	.9773
N. Bernard Murphy, Jr.	11,708.61	1.0483	1.0483	1.0483
Theodore C. Slosson, Jr.	13,092.87	1.1722	1.1722	1.1722
James M. Brown, III	35,666.90	3.1933	3.1933	3.1933
Donald V. Tarpey	18,113.03	1.6217	1.6217	1.6217
Mario J. Nigro	10,409.77	.9320		.9320
Santo Muscara	18,671.13	1.6716		1.6716
Robert D. Watral	17,399.44	1.5578		1.5578
John Malast	18,079.31	1.6186		1.6186
Lyman Dyson	14,750.15	1.3206		

	Excess of U.B.T. Gross Income Minus U.B.T. Deductions	Partners' Percentage of Interest in 1969	1969 Partners' Percentage of Interest in 1966	1969 Partners' Percentage of Interest in 1967
Willoughby Farr	20,947.67	1.8754		1.8754
Vincent P. Fay	17,751.17	1.5893		1.5893
Louis J. Imperato	17,664.92	1.5815		
Hugh O. Williams, Jr.	18,922.31	1.6941		
John C. Williams	13,887.65	1.2434		
James G. Leonard	4,642.06	.4156		
Robert M. Pizzini	36,459.20	3.2642		
Paul M. Bass, Jr.	14,730.79	1.3188		
Dale Berman	14,754.37	1.3210		
Elwood A. Crandell	14,155.72	1.2674		
Ted R. Franklin	16,100.61	1.4415		
Leonard Haynes	16,658.70	1.4915		
Joseph W. LaRue	12,795.19	1.1456		
Otto Lowe, Jr.	15,542.54	1.3915		
John K. Martin	13,887.65	1.2434		1.2434
Robert L. Martin	15,271.87	1.3673		
D. Keith Whisenant	15,370.04	1.3761		
Ronald E. Berg	(10,826.11)	.9693		.9693
Lawrence W. Clark, Jr.	(1,467.08)	.1313		
Mark W. Ettlinger	2,190.05	.1961		
Aaron N. Thomas	(941.63)	.0843		
Dora Goodbody	1,316.34	.1179	.1179	.1179
William Walter Phelps	8,229.19	.7368	.7368	.7368
Howard Froelick	9,875.00	.8841	.8841	.8841
Arthur F. Hetherington	12,343.75	1.1051	1.1051	1.1051
Agnes E. Goodbody	5,595.81	.5010	.5010	.5010
Nellie J. Goodbody	4,279.19	.3831	.3831	.3831
John C. Goodbody	7,241.69	.6483	.6483	.6483
J. Bernard Miller	9,875.00	.8841	.8841	.8841
Albert Roberts, Jr.	6,583.31	.5894	.5894	.5894
William H. Swartz	6,583.31	.5894	.5894	.5894
George H. Hogle	6,583.31	.5894	.5894	.5894
Frederick H. Hahn	9,875.00	.8841	.8841	.8841
John Hall Allen	1,645.81	.1473	.1473	.1473
Russell G. Mann	1,645.81	.1473	.1473	.1473
William L. Shaw	1,645.81	.1473	.1473	.1473
Clarence R. Grainge	3,291.69	.2947	.2947	.2947
Edwin E. Soyner	9,875.00	.8841	.8841	.8841
Edmund Y. Bennion	3,950.00	.3536		.3536



	Excess of U.B.T. Gross Income Minus U.B.T. Deductions	Partners' Percentage of Interest in 1969	1969 Partners' Percentage of Interest in 1966	1969 Partners' Percentage of Interest in 1967
Garrett Goodbody	1,645.81	.1473		.1473
Edwin F. Jaggers	1,645.81	.1473		.1473
George C. Nolan	2,633.31	.2358		.2358
Robert H. Schock	1,645.81	.1473		.1473
Harry C. Webb, Jr.	3,291.69	.2947		.2947
Jon Bachmann	1,645.81	.1473		
Roy J. Brady	1,645.81	.1473		
Leyland M. Cobb	3,291.69	.2947		
Douglas C. Edwards	4,279.19	.3831		
Merrill F. Hartman	2,304.19	.2063		
Patrick F. Moher	1,645.81	.1473		
James V. Martinello	3,950.00	.3536		
James G. McCarthy, Jr.	1,645.81	.1473		
James E. Miller	1,645.81	.1473		
Ted Richards, Jr.	1,645.81	.1473		
Maurice C. Sillin	1,645.81	.1473		
Robert H. Wellborn	1,975.00	.1768		
H. Van Brunt McKeever	9,875.00	.8841	.8841	.8841
Thomas A. Larkin	9,875.00	.8841	.8841	.8841
Leonard J. Paidar	9,875.00	.8841	.8841	.8841
Lloyd C. Mathers	6,583.31	.5894	.5894	.5894
Philip R. Bernabeo	1,645.81	.1473		
John C. Binford	1,645.81	.1473		
John J. Britt, Jr.	1,645.81	.1473		
Frank A. Calabrese	3,291.69	.2947		
Stanley C. Chamberlin	1,645.81	.1473		
William W. Chambreau, Jr.	1,645.81	.1473		
Paul Farmer	1,395.81	.1250		
Alfred J. Fasulo	1,645.81	.1473		
Joseph D. Flynn	1,645.81	.1473		
Thomas J. Gregg	1,645.81	.1473		
Kevin E. Kelley	1,645.81	.1473		
Gabriel T. Kerekes	1,645.81	.1473		
Paul A. Marsal, Jr.	1,645.81	.1473		
Herbert G. McKay	1,645.81	.1473		
Harry A. Panagos	1,645.81	.1473		
H. John Ploeger	1,645.81	.1473		
Paschal J. Rivera	1,645.81	.1473		
Joseph W. Schemel	1,645.81	.1473		

	Excess of U.B.T. Gross Income Minus U.B.T. Deductions	Partners' Percentage of Interest in 1969	1969 Partners' Percentage of Interest in 1966	1969 Partners' Percentage of Interest in 1967
Norman I. Schvey	1,645.81	.1473		
William G. Winterer	<u>1,645.81</u>	<u>.1473</u>		
Total Distribution	\$1,072,670.80			
Total for Percentage Computation	\$1,116,938.60	99.9981%	59.6462%	72.4296%