

MINUTES
DSBA TAXATION SECTION
Monday, December 19, 2016
The meeting was held at **4:00pm** at the
Offices of Cooch and Taylor, P.A.
3711 Kennett Pike, Suite 100
Greenville, DE 19807

In attendance were:

- Jennifer E. Smith
- Mark M. Dalle Pазze
- W. Jeffrey Whittle
- Charles J. Durante
- and via telephone were Jim Gallagher, Anthony Dohring, Joseph Bosik, IV, and Rob Tuinstra.

The Chair called the meeting to order.

1. Approval of the minutes for the October 24, 2016, meeting
 - The Minutes of the meeting of October 24, 2016, were unanimously approved
2. Old Business:
 - Tax Section Sponsored CLE Program
 - Topic: Business and Tax Consideration for Solo Practitioners and Small Law Firms
 - Speaker: G. Harry Papaleo, CPA of Papaleo, Rosen & Chelf, P.A.
 - Date: Thursday, February 9, 2017, 8:30 am – 10:30 am
 - The Chair noted that our Section was asked to put together this CLE. We reached out to G. Harry Papaleo. Mr. Papaleo has done work for our Section before. This will be a two-hour CLE. The Chair asked Section members to forward this information to anyone who might be interested in attending.
3. Items of Interest:
 - Speakers for upcoming meetings include:

- Patrick Carter & John (“Chip”) McDaniel, Delaware Division of Revenue
 - The Chair noted that Mr. McDaniel has spoken to our Section before.
- Christine Allie, Professor of Law, Widener University School of Law
 - The Chair suggested that Ms. Allie will likely discuss the impact of the marriage tax penalty and tax on married high wage earners.
- L. Jean Everett & Shelia Winfrey-Brown, City of Wilmington Department of Finance

4. New Business:

- Anthony Dohring addressed the Section. Mr. Dohring’s Delaware non-profit assists low income taxpayers. Mr. Dohring requested the Section’s help with representing low-income tax clients who Mr. Dohring is unable to represent due to conflicts of interests. Mr. Dohring would like to know to whom he may refer clients he is unable to represent. The Chair asked Mr. Dohring to email her his information and a summary of the situation.
- Speaker
 - Charles J. Durante – Partner, Connolly Gallagher LLP
 - The Chair turned the floor over to Mr. Durante who summarized recent developments in tax cases across the country.
 - Mr. Durante referenced an outline of these tax decisions that can be found at the following website:
 - <http://delawarelaw.widener.edu/files/resources/coursematerialsduante2016incometax-developments.pdf>
 - Some of the highlights of Mr. Durante’s presentation included tax cases involving:
 - The deductibility of:
 - Hobby losses;
 - Theft losses held by an entity in an estate;
 - Bad-debt for family owned businesses; and
 - Losses caused by the collapse of a retaining wall.
 - The applicability of:
 - Passive loss rules to S Corporations;
 - IRS SOL consent extensions to the Court; and
 - The one examination rule to a different year in question.
 - The enforceability of an IRS tax lien against an innocent spouse.
 - The taxability of private foundation expenditures that influence legislation.

- The legitimacy of a certain 501(c)(3) corporation encouraging adult sobriety.
- Reverse Section 1031 exchanges.
- AICPA's lack of standing in the unenrolled return preparers case.
- For a full review of the material Mr. Durante discussed during his presentation, please refer to the outline that can be found at the above referenced website.

5. Next Meeting – Monday, January 23, 2017

There being no further business, the meeting was adjourned.

Respectfully Submitted,



Mark M. Dalle Pазze
Secretary