



WASHINGTON STATE BAR ASSOCIATION

Taxation Section

COUNCIL MEETING MINUTES – JANUARY 20, 2017

Perkins Coie, 1201 Third Avenue, Suite 4900, Seattle

Persons in Attendance:

Tiffany Gorton – President

Richard Johnson – Treasurer

Vijay Gosalia – Secretary

Joe Terrenzio – WSBA Liaison

Kim Rosenmay – BOG Liaison

Yessica Hernandez - Transactional

Megan Tahl - International

Jeff Mahon - DOR

Brett Durbin – Legislative

Claire Taylor – IRS Liaison, Pro-Bono

Rob McCallum – At Large

Darek Jarski – At Large

Saundra Veliz – Vice President

Anna Cashman – Estate & Gift

Jim Hunt – CLE

Corey Johnson – Immediate Past President

Claire Taylor – IRS Liaison

Persons in Attendance by Telephone:

Jennifer Gellner – Newsletter CHECK

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- 8:00 a.m. The meeting was called to order.
 - A motion to approve the prior meeting minutes was made and passed.

Treasurer's Report:

1. Have a healthy fund balance. Funds have not been spent. Balance is \$58,000 and no large expenses planned.
2. Richard inquired as to whether a vote is needed to spend over a certain amount.
 - a. Just need the Council's approval. Unbudgeted expenses of more than 25% would need further approval.
3. Scholarship: Raised approximately \$3,200.



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Individual Committee Reports

1. Legislative (Brett Durbin):

- a. Not present.
- b. Brett Durbin Comments: The Legislative Committee has been working with the WSBA lobbyist to track the tax court bill and proposed constitutional amendment that was recently introduced in the State Senate. The bill had its first hearing today in front of the Senate Law and Justice Committee. The hearing went fairly well and the senators seemed generally supportive.
- c. Also, the Governor's Office recently announced that two out of the three Washington Board of Tax Appeals members will be stepping down over the next few months. The Governor's Office is accepting applications for the open positions until the end of March and will be interviewing candidates in April. The Legislative committee is considering setting up a subcommittee to evaluate the applicants and potentially provide feedback if the Tax Council approves. We plan on working with the WSBA lobbyist to make sure that our evaluation and feedback process is consistent with the WSBA policies.

2. DOR Liaison (Jeff Mahan):

- a. Legislative session has begun.
- b. No other new information to report.

3. State & Local Tax (SALT) (Miriam Woods):

- a. No report.

4. Estate & Gift Tax (Anna Cashman):

- a. Committed was to be held today (January 20), but has been rescheduled due to the inauguration.
- b. Next meeting to be held on Friday Feb 3 at K&L Gates.
- c. Begun transition emails to taxation section list serve.
- d. Joe stated that unless by-laws have restrictions, anyone can be a subscriber member but can't vote. Bylaws allows students as non-voting members. Section could interpret others to be non-voting members as well.
- e. Anna moved to admit Melinda Handle (sp?) as a non-voting subscriber of the tax section.



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- i. Motion to approve DOR employee as a Tax Section member - Approved
- 5. International Tax (Elizabeth Crouse & Megan Tahl):
 - a. Megan Tahl Comments: Elizabeth and I are planning an international committee meeting on May 6th from 12-1:30pm at K&L Gates. We will be discussing current trends, developments, and changes in international tax. I am planning to send out an email announcing this meeting to the listserv in the beginning of April and then at the two-week interval so people have time to plan but not enough time to forget.
- 6. Transactional Tax (Yessica Hernandez):
 - a. No report.
- 7. IRS Liaison (Nick Nilan & Claire Taylor): Claire - CHECK
 - a. Working to setup brown bag cle in the near future. Topic will be on changes to IRS appeals. IRS representative will be at the meeting to discuss.
 - b. Looking at doing a second brown bag on partnership law.
 - c. Reception for Tax Court in May to be held
- 8. CLE (Jim Hunt):
 - a. CLE held in December. About 30 people attended.
 - i. Discussing a Spring tax CLE; tentative date is March 31 for a CLE in Spokane (Math and Tax).
 - ii. Jennifer stated there is a volunteer to chair the event. Court room at the law school reserved. Will be a catered networking luncheon.
 - iii. CLE will discuss ethics and trust/estate tax related issues.
 - iv. Agenda is still in the works (may include partnership discussion).
 - v. Jim stated he plans to rotate off the tax council.
 - 1. Tiffany mentioned Stephanie Taylor may be a good replacement and would like to participate.
- 9. Website (Adam Blake & Sam Barnes):
 - a. Not present.
 - b. Sam Barnes Comments: Joe is in the process of finalizing the migration timeline for the new website. He met with the vendor for the project earlier today and should have the final timeline soon. We will circulate a sample landing page in the near future for comments from the counsel. If all goes to plan, the new site will go live in April.



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10. Young Lawyers (George Munro & Joe Terrenzio-WSBA liaison):

- a. Not present. No report.
- b. Tiffany suggested that additional people should volunteer for open sections night.
- c. Tiffany discussed the Legal Assistance to Military Personnel program (Susan Powell), which is a tax prep program will no longer be funded, and the tax section could partner with this section to assist.
- d. Jim stated he is open to assisting with the program.
- e. Discussion on logistics of setting up tax preparation for military personnel.
- f. Tax Section could provide funding from the program since the section has a budget surplus.
 - i. Program may be able to obtain funding from VITA (Jennifer).
 - ii. Suggestion that the Tax Section could use its budget surplus to help fund the program.
 - iii. Jeff suggested that personnel may need assistance with state tax returns as well.
- g. Jeff mentioned that they may need assistance with state tax returns as well.

11. George Munro Comments: The UW/Young Lawyer breakfast event at Sullivan's went really well. The event was on March 1st, and about 35ish people attended. Lots of students, young lawyers, and more experienced attorneys had ample opportunity to do a lot of networking. Thanks for everyone on the committee who attended. The Tax Section's half of bill was \$520ish.

12. I'm working with the Seattle University Tax Club to plan a "Careers in Tax / Estate Planning" panel event. We've gone back and forth on dates, but it looks like the event will happen in mid to late April. The event will be at SU. It will be a pretty basic career panel over the lunch hour.

13.

14. Kyle Richard, the Young Lawyer Liaison, is also helping me plan a similar lunch panel event at the UW law school. He's reached out to Scott Schumacher, and we're supposed to have a conference call in the next week or so to further plan the event.

15.

16. Outreach/Scholarship (Allison Foreman):

- a. Not present.



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- b. Tiffany stated Allison intends to rotate off the scholarship program next year, so need to keep an eye out for recruits.
- c. Tiffany may be interested in assisting.

17. Newsletter (Jennifer Gellner):

- a. Constant Contacts has been closed.
- b. Will work with the BAR to produce a newsletter.
- c. For a March deadline, will need everyone's info by the end of February to provide information to Jennifer. Could include detail about the luncheon.
- d. Claire asked if sending out an email on the list serve to see if anyone wants to publish an article.

18. Pro Bono Committee (Claire Taylor & Emily Yamada):

- a. No report.

BOG Financial Update: (Kim Rosenmay)

1. In September two of the biggest issues discussed were that the bylaws were amended to allow three different types of licenses to practice in WA that are full members of the bar association.
 - a. Lawyers
 - b. Triple LT (Limited legal licensed sections)
 - i. This program may be expanded to other areas outside of family law
 - ii. Can't provide legal advice
 - iii. Cory asked if other areas if law may be included
 - c. LPO (limited practice officer); prepare documents and file with various offices for real estate transactions.
2. Triple LT program set up by WA State Supreme Court for lack of access to justice.
 - a. Supreme Court is pushing the program. Claim is that attorneys do not provide enough assistance to low income clients.
 - b. Claim is that need is growing and middle class incomes also can't afford an attorney.
3. Vijay asked whether there are any programs to match low income clients with newer attorneys or solo practitioners that could offer reduced prices.
 - a. Response is that there are a number of programs trying to do this as well.



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- b. Attorneys should just hire Triple LTs.
4. BOG does not set the license fees for item 2 and item 3.
5. Supreme Court sets attorney fees and that they are reasonable, thus the suggestion is that the referendum to lower dues should not go forward because the BAR does not have to abide by it.
 - a. Rich asked what the Supreme Court used to determine reasonableness? President of the BAR and executive director provided information the Supreme Court. Does not appear there was testimony opposing the fees that was heard.
6. License fees for 2018 – 2020 go up from \$440 to \$460.
7. Currently a referendum circulating for free CLEs
 - a. Have to attend or listen in on day the CLE is actually held.
 - b. BAR also provides free CLEs through the lunchbox program.
8. Council on State Taxation issued annual report on how states rank, and Washington ranks at the bottom of the fairness scale.
 - a. Reasons include:
 - i. No tax court,
 - ii. Retroactive costs imposed,
 - iii. Pay to play.
9. BOG
 - a. LLLTs and LPOs can be officers in sections, not clear if this is the case and why vote has been delayed.

ANNUAL LUNCHEAON (Darek Jarski)

1. Dates: May or June depending on the speaker and facility availability.
2. Request to council for speaker suggestions.

MEETING ADJOURNED