

POOR
QUALITY
THE FOLLOWING
DOCUMENT (S)
ARE
FADED & BLURRED

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STATE OF NEW YORK
STATE TAX COMMISSION

In the Matter of the Petition

of

LEO AND REBECCA NOBEL

For a Redetermination of a Deficiency or
a Refund of Personal Income
Taxes under Article(s) 22 of the
Tax Law for the (Year(s) 1961

AFFIDAVIT OF MAILING
OF NOTICE OF DECISION
BY (CERTIFIED) MAIL

State of New York
County of Albany

Lynn Wilson, 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 August, 1972, she served the within Notice of Decision (or Determination) by (certified) mail upon LEO AND REBECCA NOBEL (representative of) the petitioner in the within proceeding, by enclosing a true copy thereof in a securely sealed postpaid wrapper addressed as follows: Leo and Rebecca Nobel
320 Oak Street
Ridgewood, 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 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

25th day of August, 1972

Martha J. Jones

Lynn Wilson

STATE OF NEW YORK
STATE TAX COMMISSION

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she is an employee of the Department of Taxation and Finance, over 18 years of
age, and that on the 25th day of August , 1972 , she served the within
Notice of Decision (or Determination) by (certified) mail upon J. R. BECKER, ESQ.

(representative of) the petitioner in the within
proceeding, by enclosing a true copy thereof in a securely sealed postpaid

wrapper addressed as follows: J. R. Becker, Esq.
199-30 19th Avenue
Whitestone, New York 11357

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

25th day of August , 1972.

Matthew Funnaro

Lynn Wilson



STATE OF NEW YORK
DEPARTMENT OF TAXATION AND FINANCE

BUILDING 9, ROOM 214A
STATE CAMPUS

ALBANY, N. Y. 12227

AREA CODE 518
457-2655, 6, 7

STATE TAX COMMISSION

NORMAN F. GALLMAN, PRESIDENT
A. BRUCE MANLEY
MILTON KOERNER

STATE TAX COMMISSION
HEARING UNIT

EDWARD ROOK
SECRETARY TO
COMMISSION

ADDRESS YOUR REPLY TO

DATED: Albany, New York
August 23, 1972

Leo and Rebecca Nobel
320 Oak Street
Ridgewood, New Jersey

Dear Mr. and Mrs. Nobel:

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

Please take further notice that pursuant to **section 690 of**
the Tax Law any proceeding in court to review an adverse decision
must be commenced within **4 months** after
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 relat-
ing hereto may be addressed to the undersigned. These will be referred
to the proper party for reply.

Very truly yours,

L. Robert Leisner
L. Robert Leisner
HEARING OFFICER

cc Petitioner's Representative
Law Bureau

STATE OF NEW YORK

STATE TAX COMMISSION

In the Matter of the Petition	:	
of	:	
LEO AND REBECCA NOBEL	:	DECISION
for a Redetermination of a Deficiency	:	
or for Refund of Personal Income Taxes	:	
under Article 22 of the Tax Law for	:	
the Year 1961.	:	

The petitioners timely petitioned for a redetermination of a deficiency in personal income taxes for the year 1961. The petition was denied and the taxpayers demanded a formal hearing. A hearing was held at the offices of the State Tax Commission, 80 Centre Street, New York City, on February 18, 1970. The petitioner was represented by J.R. Becker, and the Income Tax Bureau was represented by Edward H. Best, Esq., (Solomon Sies, Esq., of Counsel).

FINDINGS OF FACT

1. The petitioner, Leo Nobel, is the sole stockholder and principal officer of K & N Homes Corporation, a New York corporation.
2. On April 13, 1965, the Income Tax Bureau issued a determination of deficiency under assessment number 1-5326034. The taxpayer timely filed a petition for review.
3. The K & N Homes Corporation was not very successful during the year in issue and because of this fact, the sole owner advanced monies to the corporation and then withdrew funds during the year in question.
4. The petitioner in his Federal Tax Affairs elected to file as a sub-chapter S corporation.
5. The corporation actually made a small profit and did not sustain a loss as a result of operations, but the accountant supplied a salary based on withdrawal and not on services and then

made his tax return as though the withdrawal was a salary and he showed a loss on the sub-chapter S, Federal Tax Return.

6. The taxpayer performed about three-fifths of his work for the corporation outside of New York State.

DECISION

A. The deduction for a nonresident 1120 sub-chapter S corporation loss is not deductible for New York State income tax purposes by a taxpayer.

B. The payment of salary by the corporation to the taxpayer is a taxable event under New York State Income Tax Law.

C. The deficiency shall be computed on the basis that the income is allocated to three-fifths income earned in New Jersey and two-fifths income earned in New York State.

D. The determination of the deficiency under assessment number 1-5326034 by the Income Tax Bureau is sustained as modified above.

E. Interest shall be added to the deficiency from the due date of the return until the date of payment.

DATED: Albany, New York
August 25, 1972

STATE TAX COMMISSION


COMMISSIONER


COMMISSIONER


COMMISSIONER



STATE OF NEW YORK
DEPARTMENT OF TAXATION AND FINANCE

BUILDING 9, ROOM 214A
STATE CAMPUS

ALBANY, N. Y. 12227

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SECRETARY TO
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L. Robert Leisner

HEARING OFFICER

cc Petitioner's Representative
Law Bureau

STATE OF NEW YORK

STATE TAX COMMISSION

In the Matter of the Petition :

of :

LEO AND REBECCA NOBEL :

DECISION

for a Redetermination of a Deficiency :
or for Refund of Personal Income Taxes :
under Article 22 of the Tax Law for :
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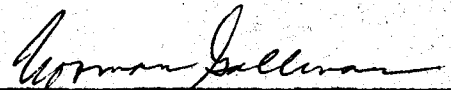
C. The deficiency shall be computed on the basis that the income is allocated to three-fifths income earned in New Jersey and two-fifths income earned in New York State.

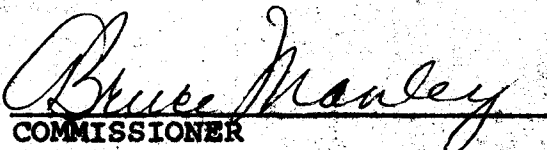
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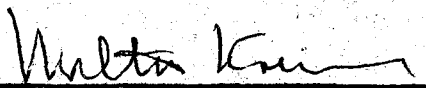
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DATED: Albany, New York
August 25, 1972

STATE TAX COMMISSION


COMMISSIONER


COMMISSIONER


COMMISSIONER

STATE OF NEW YORK
Department of Taxation and Finance

STATE CAMPUS
ALBANY, N. Y. 12227



REASON CHECKED

Unclaimed

Refused

Address unknown

Post Office Address

Post Office Street

Post Office Number

Post Office Name

Post Office City

Post Office State

Post Office Zip

Post Office Country

Post Office Telephone

Post Office Telex

Post Office Cable

Post Office Radio

Post Office Telegraph

Post Office Mail

Post Office Parcel

Post Office Registered

Post Office Special

Post Office Other

Leo and Rebecca Nobel
do not remain in this envelope

320 Oak Street

Ridgewood, New Jersey

Revised Spelling

AUTHORIZED TIME FOR FORWARDING HAS
EXPIRED.

CERTIFIED
No. 592762
MAIL