

**STATE OF NEW YORK
STATE TAX COMMISSION**

In the Matter of the Petition

of

CONSTANTINE ZARRAS

For a Redetermination of a Deficiency or
a Refund of Personal Income :
Taxes under Article(s) 16 of the
Tax Law for the (Year(s) 1957 :

**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 1st day of August , 19 72, she served the within Notice of Decision (or Determination) by (certified) mail upon CONSTANTINE ZARRAS (representative of) the petitioner in the within proceeding, by enclosing a true copy thereof in a securely sealed postpaid wrapper addressed as follows: Constantine J. Zarras
21 Ellington Drive
Rsdy Northport, New York
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

1st day of August , 1972.

Lynn Wilson

STATE OF NEW YORK
STATE TAX COMMISSION

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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 1st day of August, 1972, she served the within Notice of Decision (or Determination) by (certified) mail upon JOHN FISHER, ESQ.

(representative of) the petitioner in the within proceeding, by enclosing a true copy thereof in a securely sealed postpaid wrapper addressed as follows:

John Fisher, Esq.
55 Broadway
Huntington Station, New York

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.

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Sworn to before me this

1st day of August, 1972

Michael J. Ferraro

Lynn Wilson



STATE OF NEW YORK
DEPARTMENT OF TAXATION AND FINANCE

STATE TAX COMMISSION

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

BUILDING 9, ROOM 214A

STATE CAMPUS
ALBANY, N. Y. 12227

AREA CODE 518
457-2655, 6, 7

STATE TAX COMMISSION
HEARING UNIT

EDWARD ROOK
SECRETARY TO
COMMISSION

ADDRESS YOUR REPLY TO

DATED: Albany, New York
August 1, 1972

Constantine J. Zarras
21 Ellington Drive
East Northport, New York

Dear Mr. Zarras:

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

Please take further notice that pursuant to section(s)
375 of the Tax Law any proceeding
in court to review an adverse decision must be commenced
within **90 days** 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 relating hereto may be
addressed to the undersigned. These will be referred
to the proper party for reply.

Very truly yours,

Paul B. Coburn

Hearing Officer

cc Petitioner's Representative
Law Bureau

STATE OF NEW YORK

STATE TAX COMMISSION

In the Matter of the Application	:	
of	:	
CONSTANTINE J. ZARRAS	:	DETERMINATION
for Revision or Refund of Personal Income	:	
Taxes under Article 16 of the Tax Law for	:	
the Year 1957.	:	

Applicant, Constantine J. Zarras, has filed an application for revision or refund of personal income taxes under Article 16 of the Tax Law for the year 1957. (File No. B766466). A formal hearing was held before Vincent P. Molineaux, Hearing Officer, at the offices of the State Tax Commission, 80 Centre Street, New York, New York, on September 28, 1964 at 2:00 P.M. Applicant appeared by John Fisher, Esq.

ISSUE

Were capital gains realized by applicant, Constantine J. Zarras, in 1957 on the liquidation of Parthenon Holding Corp. and the transfer to him of the assets of said corporation?

FINDINGS OF FACT

1. Applicant, Constantine J. Zarras, filed a New York State income tax resident return for the year 1957. He did not report on said return any gain realized upon the liquidation of Parthenon Holding Corp.

2. On March 23, 1960, the Income Tax Bureau issued a Notice of Additional Assessment against applicant, Constantine J. Zarras, imposing capital gains tax in the sum of \$195.04 upon the gains realized by him on the liquidation of Parthenon Holding Corp.

3. Parthenon Holding Corp. was a New York corporation incorporated on March 15, 1945. Applicant, Constantine J. Zarras, was the sole stockholder of said corporation. He paid \$2,500.00 to the corporation for his stock.

4. In 1945, Parthenon Holding Corp. purchased premises 1815 Flatbush Avenue, Brooklyn, New York from the Fulton Savings Bank. The purchase price was \$8,500.00 of which \$2,500.00 was paid in cash and \$6,000.00 secured by a purchase money mortgage.

5. On September 3, 1957, applicant, Constantine J. Zarras, dissolved Parthenon Holding Corporation. All of the assets of the corporation including the real property were transferred to him. He turned in his shares of the corporation in exchange for said assets, and it was dissolved. The book value of said real estate at the time of dissolution was \$6,420.00. The assessed valuation of the real estate was \$16,500.00. He failed to submit any documentary or other substantial evidence to prove that the fair market value of the property was other than the assessed valuation. The gain realized on the liquidation, after credit for a deficit as per the corporate records was \$9,143.96.

CONCLUSIONS OF LAW

A. That where property of a dissolved corporation is distributed to a stockholder in kind, the basis of the property in the hands of the stockholder is the fair market value at the time of distribution and capital gains is reportable by the stockholder to the extent that the total of distributions in liquidation exceeds the basis to the stockholder of the stock in the dissolved corporation in accordance with the meaning and intent of sections 350(12), 350(13) and 350(15) of the Tax Law.

B. That the application of Constantine J. Zarras is denied and the Notice of Additional Assessment dated March 23, 1960, is sustained.

DATED: Albany, New York

August 1, 1972

STATE TAX COMMISSION

Norman Gallman

COMMISSIONER

Abner Hawley

COMMISSIONER

Milton Kren

COMMISSIONER



STATE OF NEW YORK
DEPARTMENT OF TAXATION AND FINANCE

STATE TAX COMMISSION

NORMAN F. GALLMAN, PRESIDENT

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cc Petitioner's Representative
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STATE TAX COMMISSION

Norman Gallman

COMMISSIONER

Arthur H. H. H. H.

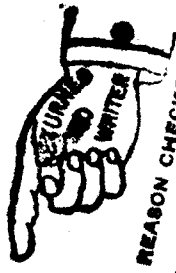
COMMISSIONER

Milton K. K.

COMMISSIONER

STATE OF NEW YORK
Department of Taxation and Finance
STATE CAMPUS
ALBANY, N. Y. 12227

C99-29-5757



REASON CHECKED

- 1. Moved, Left No Address
- 2. Unknown
- 3. No Such Street
- 4. Vacant
- 5. Out of Business
- 6. Insufficient Address
- 7. No Mail Receiptable
- 8. No Such Number
- 9. Unclaimed
- 10. Bldg. Razed
- 11. Deceased

John Fisher, Esq.
55 Broadway
Huntington Station, New York

DO NOT REMAIL THIS ENVELOPE

ATT: Mr. J. O. Longstrech

Frank Cabral

July 4