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Subject: New York State Memorandum On Listed Transaction
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To Our Clients and Friends:

Attached for your information is New York Technical Service Bureau Memorandum 07(5)C, 07(5)I, June 13, 2007. The TSB-M identifies a New York listed transaction (involving certain charitable contribution deductions) that is subject to New York's disclosure requirements for reportable transactions.

By way of background, reportable transactions generally constitute those with the potential for tax avoidance or evasion. Entering into a so-called abusive tax transaction, and/or failing to comply with the disclosure requirements, can result in significant penalties as well as an extension of the statute of limitations on assessments.

A taxpayer that has participated in a reportable transaction during its taxable year is required to disclose its participation with its tax return for that taxable year. If a transaction becomes a listed transaction after the filing of a taxpayer's tax return and before the end of the period of the statute of limitations for the tax return, then a taxpayer must disclose the listed transaction with the tax return next filed after the date the transaction is listed regardless of whether the taxpayer participated in the transaction in that tax year.

If you have any questions regarding the within, or any other state and local tax matters, please do not hesitate to contact me.

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