



WASHINGTON STATE BAR ASSOCIATION

Taxation Section

WSBA Tax Section Executive Committee – Meeting Minutes

Friday, November 18, 2022 8:00 to 9:00 a.m.

In Attendance by Phone or on Zoom

Megan Tahl – Vice Chair
Cat Connell – Secretary
Jason Harn - Treasure
Logan Westerman
Dan Jensen
Darek Jarski
Bob Mahon
Callie Castillo
Aimee Miller
Dan French
Ellen Tung
Rich Johnson
Sofia Meglioli
Reed Jones
Nam Nguyen
Aaron Johnson
Jay Jetter
Brett Durbin

Meeting called to order at 8:04am

1. Approval of Minutes Meetings

- September 2022
 - i. Moved / Seconded
 - ii. Approved
- October 2022
 - i. Moved / Seconded
 - ii. Approved

2. Treasurer's Report (Jason Harn)

- No major updates
- Expenditure for tax court judge luncheon, but nothing further
- Could be a delay on monthly budget reports from WSBA while they wrap up their fiscal year

3. New/Ongoing Items

- WSBA volunteer / attendee requirements

https://www.wsba.org/docs/default-source/legal-community/volunteer/volunteer-toolbox/wsba-covid-19-vaccination-requirements-for-guests2a8674f2f6d9654cb471ff1f00003f4f.pdf?sfvrsn=2d5f11f1_6

- No issues at the recent event in particular
- Is the COVID policy of the WSBA out of date
- In person requirements are that participants are vaccinated and boosted
- Nam: BOG has approved a change in policy, and the Executive Director of the WSBA to make a determination on a new policy for CLEs and in-person events
- Pro Bono Chair?
 - i. Megan – are there any ideas for persons to fill this capacity
 - ii. No ideas at this time
- WSBA Desk book editor request (email 11/16/2022)
 - i. This is an open position to help with this editing process
 - ii. Email went out to all EC members already
 - iii. Email was unclear on timing, but from Aaron J., doesn't sound like this should be a limiting factor if someone is interested

4. Committee / Liaison Reports, Ideas, Goals

- Estate & Gift Tax (Cat Connell & Reed Jones)
 - i. First meeting two weeks ago
 - ii. 100 attendees with a lot of interest and questions
 - iii. Upcoming meeting is December 9 (still seeking a speaker)
- International Tax (Tuan Ngo & Al Mullins)
 - i. No updates
- Transactional Tax (Dan Sito)
 - i. No updates
- IRS Liaison (Logan Westerman & Rich Johnson)
 - i. Had the event with Judge Leyden two weeks back
 - ii. A successful event and happy to see everyone in person
 - iii. Would like to recreate this type of event in the future; next calendar is upcoming in March, and will look to having a similar event in the future
- DOR Liaison (Dan Jensen)
 - i. Publication comment process: website will be up in January and / or February
 - ii. A final batch of the determinations will be published toward the end of November, and thereafter the new process will begin
 - iii. New notification process (Gov Delivery) that Dan will advise the EC about
- Legislative (Brett Durbin & Callie Castillo)
 - i. No actual bills being moved forward at the moment
 - ii. Brett will try to schedule a Legislative Committee meeting in December (given the long delay in time since last meeting)
 - iii. Aaron – perhaps Aimee can do a call out to law students and / or LLMS to attend and participate
- Communications & Website (Jay Jetter)
 - i. Slowly but surely content is being updates to the website
 - ii. Thanks to Jason and Sofia, we now have CLE slide decks uploaded to the website
- Young Lawyers (Daniel French)
 - i. No updates
- Outreach/Scholarship (Jennifer Gellner)
 - i. No updates

- ii. Sent email saying that will look at this issue again in January
- Pro Bono Committee (*seeking chair*)
 - i. No updates
- State & Local Tax (SALT) (Aaron Johnson)
 - i. Brett set Aaron up with tax structure workgroup
 - 1. Going to move forward with Texas style margin tax structure proposal
 - 2. Seen proposed amounts on rates (2.8%) – would be good for all members to determine how this might affect your firms if this passes
 - ii. Will work with Brett, Callie and Bob to discuss how Tax Section can be involved
 - iii. Wealth tax did not pass out of workgroup, but Sen. Frame will take this on herself
 - 1. Several senators were not in attendance, so query whether vote was unanimous
 - iv. Working with Dan Jensen and DOR and Sienna and Ellen on joint CLE, in March 2023 timeframe
 - v. Bob M. – thanks for following the workgroup activity; are there details on deductions available, or will there be specific provisions about capping compensation
 - vi. Aaron J. – hasn't seen anything reduced to writing about it
 - 1. Subtraction component – cost of goods sold, compensation, or \$1M threshold
 - 2. Sen. Frame does not want to go with WA's own definitions, would rather tie to the Code; Aaron doesn't believe this has been thought out fully
 - 3. Other concerning factor –historical incentives that have been the result of longstanding negotiations; e.g. forest industry; fear of losing bargained for historic rates
 - 4. Also affects retailers who currently pay a lower rate
 - 5. In either case, it would be a large rate jump
 - 6. Aaron will be working on some modeling to facilitate education for WA businesses
 - 7. Would like to be able to use the website (Jay) to publicize some of this information
 - vii. Bob M. – Will need to consider how it impacts legal services, double the rate but don't also get a partnership deduction; could also affect accounting firms
- CLE (Sofia Meglioli & Jason Harn)
 - i. No updates
- DEI (Sienna Boyd & Ellen Tung)
 - i. Covered in Aaron's update regarding upcoming CLE planning
- Board of Governors Liaison (Brent Williams-Ruth & Nam Nguyen)
 - i. Only the update to the COVID policy
 - ii. No other updates

5. Other Items

- Jay J. – requested update from folks involved with capital gains tax litigation
 - i. Callie: A stay has been requested pending the Court's review; and Court will review it in conference later this month; bypassing the commissioner's office
- Aaron – seat coming open at Board of Tax Appeals
 - i. Seat will have to be filled by any person who is not a Democrat (for diversity requirements)
 - ii. Want a balanced and fair BTA
 - iii. Keep people in mind and find ways to suggest people for the role
 - iv. Brett D. – if anyone is interested in the role, please let us know

1. Would like to have WSBA Tax Section providing more input in the process
- v. Bob M. – there was previously a way for parties to provide input under Gov. Gregoire; at least we know there is a vacancy coming up
 1. Only know about the vacancy because of email re: recusal
 2. Mark K. is reapplying
- vi. Aaron – political affiliation – can only not be a “straight” Democrat

6. Meeting Adjourned at 8:43am