



# New York State Bar Association

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## TAX SECTION

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New York, NY 10017  
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Victor Zonana

March 18, 2002

The Honorable William M. Thomas  
Chair  
House Ways & Means Committee  
U.S. House of Representatives  
2208 Rayburn  
Washington, DC 20515

Dear Chairman Thomas:

I am pleased to enclose the New York State Bar Association Tax Section's Report No. 1007, *Simplification of the Internal Revenue Code*.

The principal purpose of the report is to suggest a short list of topics that we believe are ripe for simplification. The list includes well-known problem areas affecting millions of taxpayers, such as the individual alternative minimum tax. Other topics, such as technical aspects of the active business requirement of Section 355, affect far fewer taxpayers but result in unnecessary complexity in structuring accepted business transactions. Still others, such as the collapsible corporation rules, might be termed nuisances. Whether the rules in question produce major problems or mere nuisances, we consider them "ripe" because we believe simplification could be accomplished without compromising important tax policies.

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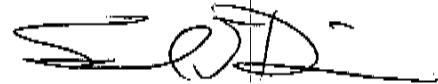
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We welcome the opportunity to work with you toward simplification, while acknowledging that the potential scope of the enterprise is daunting.

Respectfully,



Samuel J. Dimon  
Chair

cc: Hon. Charles B. Rangel  
Ranking Minority Member  
House Ways & Means Committee  
U.S. House of Representatives

Lindy L. Paul  
Chief of Staff  
Joint Committee on Taxation

James D. Clark  
Majority Chief Tax Counsel  
House Ways & Means Committee

John Buckley  
Democratic Chief Tax Counsel  
House Ways & Means Committee



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March 18, 2002

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Senate Finance Committee  
United States Senate  
511 Hart  
Washington, DC 20510

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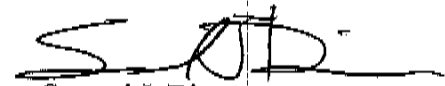
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Mark Prater  
Republican Chief Tax Counsel  
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March 18, 2002

Honorable Mark A. Weinberger  
Assistant Secretary  
Department of the Treasury  
Room 1334 MT  
1500 Pennsylvania Avenue, N.W.  
Washington, DC 20220

Honorable Charles O. Rossotti  
Commissioner  
Internal Revenue Service  
Room 3000 IR  
1111 Constitution Avenue, N.W.  
Washington, DC 20224

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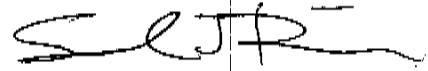
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