

October 29, 2009

Mr. David M. Frankel  
Commissioner  
New York City Department of Finance  
Municipal Building, 1 Centre Street  
New York, NY 10007

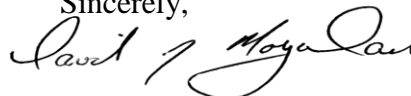
By e-mail: [frankeld@finance.nyc.gov](mailto:frankeld@finance.nyc.gov)

**Re: Tax Administration Simplification Proposals**

The New York State Society of Certified Public Accountants, representing 30,000 CPAs in public practice, industry, government and education, submits the following proposals to you regarding tax administration simplification. The NYSSCPA thanks the New York City Department of Finance for the opportunity to comment.

The NYSSCPA's New York, Multistate and Local Taxation Committee prepared the attached comments in response to your request that we offer in writing the proposals discussed at the recent meeting of the committee that you attended. If you would like additional discussion with us, please contact Wayne K. Berkowitz, Chair of the New York, Multistate and Local Taxation Committee, at (212) 832-0400, or Ernest J. Markezin, NYSSCPA staff, at (212) 719-8303.

Sincerely,



David J. Moynihan  
President

Attachment



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**NEW YORK STATE SOCIETY OF  
CERTIFIED PUBLIC ACCOUNTANTS**

**TAX ADMINISTRATION SIMPLIFICATION PROPOSALS TO  
THE NEW YORK CITY DEPARTMENT OF FINANCE**

**October 29, 2009**

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**Alfred Grillo**

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## **New York State Society of Certified Public Accountants**

### **Tax Administration Simplification Proposals to the New York City Department of Finance**

The New York, Multistate and Local Taxation Committee of the New York State Society of CPAs would like to thank you for attending our September meeting and giving us the opportunity to work with you in fulfilling your goals at the Department of Finance.

We have taken your suggestion that our proposals be presented in writing, and have outlined some of those which our members feel would simplify tax administration both for taxpayers and their representatives and the Department of Finance.

Topics that will help the broadest number of taxpayers are:

- Eliminating the signature requirement on extension requests (New York State has already done this). The signature requirement is inconsistent with the Department's objective to encourage electronic filing.
- Separating the corporation extension request from the 1st quarter estimated payment. At recent TaxRAPP presentations, the Department has acknowledged that this is a source of confusion for taxpayers (especially those not located in New York).
- Eliminating the mandatory 1st quarter payment. Because penalties are based on the final tax, this creates significant overpayments and underpayments of estimated tax.
- Permitting taxpayers to elect to use combined reporting. This is a proposal we believe should be implemented at both the State and City levels. Taxpayers would be able to plan and report with certainty as to their positions, and we believe this would actually simplify audits as subsidiary capital issues would no longer exist.

Thank you for the opportunity to provide input, and we look forward to working with you in the future.