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Pet Prenups?

Many people consider their pets to be as much a part of the family as their children and couples are beginning to plan ahead for who gets the pet - or pets - in a divorce, so says Jacqueline Newman, matrimonial attorney and author of *Soon-to-Be Ex for Men: Preserving Wealth, Fatherhood and Sanity During Divorce*.

In New York State, pets are considered property so they can be put in a prenuptial agreement. While it is customary for the pets to follow the children, Newman says she can foresee a day when a prenuptial agreement will be overturned because a judge determines its provisions are not in the best interests of the pet. That's because when it comes to pets and divorce some judges are beginning to consider what is best for the pet in making a determination about its future.

US Courts are starting to treat pet custody cases the way they treat child custody cases. Essentially, the Court considers the pet's well-being and happiness, rather than merely settling the issue of who is an animal's rightful owner. *Financial Advisor Magazine 3/19 p. 16*.

Ex-Wife Of Former Baseball Player Strikes Out

When the couple divorced, the court granted her sole ownership of an S Corporation that was previously dissolved under state law but continued its corporate existence. It owned another profitable entity. The ex wife did not report the S Corporation's income on her return. She argued she did not legally own the S Corp because it could not transfer its shares, but a District Court said the divorce court transferred beneficial ownership to her. Because the corporation's state law dissolution does not end its S Corporation status under federal law, she owes tax on her share of its income. (*Bonilla, D.C. Conn*) *The Kiplinger Tax Letter 4/19/19*.

Your Tax Home Is Not Always Where You Live

A self-employed consultant lived in Georgia but worked at his client's offices in New Jersey for four days each week. He deducted his travel to and from New Jersey as business travel expenses on Schedule C. He argued that, because he was a consultant with no principal place of business and could complete work at multiple locations, including the airport and his home, his tax home was in Georgia, where he resided. The Tax Court disagreed, saying his TAX HOME was in New Jersey because ALL of his business income was derived from his New Jersey client during the year in issue. (*Brown, TC Memo 2019-30*). *The Kiplinger Tax Letter 4/19/19*.

It may be argued if the consultant had additional clients in other states the important operative word ALL would be null and void.

This case shows the result of poor tax planning.

It Is About Time

that the US Department of Justice has proposed termination of a decree against the Master Horseshoers' National Protective Association of America, which barred 13 defendants from blocking potential competitors from the market for "drilled horseshoe, adjustable calks or rubber hoof pads".

Another decree suggested to be terminated was against Oscar Kern, Morris Silnutzer and others to dissolve the Retail Music Roll Dealers Association of Philadelphia in 1921 and to prohibit them from fixing the market for paper rolls used to play music in devices such as player pianos.

Another decree proposed to be terminated was one barring social pioneer and five time presidential candidate, Eugene V. Debs, dead for almost 100 years, from disrupting Midwestern railroads.

A 1918 decree ordered the American Cone & Wafer Co. to no longer mandate a minimum retail price their distributors must charge for hollow cones of pastry for containing ice cream, commonly called ice cream cones.

Also requested to be terminated was a 1949 decree ordering the Standard Register Co. to no longer refuse to sell or lease typewriter parts or make repairs for buyers who also used parts supplied by rivals.

Finally, the DOJ is asking to remove the 1911 Standard Oil consent decree off the books. In an understatement, the DOJ said evidence that the department's work on Standard is done and the decree's natural life is over. The market has evolved so much this historic decree is obsolete. *The Wall Street Journal 4/17/19 P. A1.*

As always, if you have any questions about these or any other matters, do not hesitate to call us.

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