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Notes

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and evening papers of Colorado Springs, and had been retired from active practice of law for a number of years.

He was born in Manchester, Iowa, January 7, 1868, graduating from the University of Iowa in 1890, with a degree of doctor of laws.

He practiced in Wyoming, serving two terms as state senator, and as a member of the commission to revise the Wyoming statutes. In 1896 he moved to Colorado Springs, first associated with the law firm of the late Judge Allen T. Gunnell.

He was elected district attorney in 1906, and served one term during the troublesome days of the Cripple Creek strike. He served as Republican National Committeeman from 1924 to 1932, and was a close friend of Presidents Harding, Coolidge and Hoover.

Mr. Hamlin was the last of a number of builders of this community, numbering among others, Spencer Penrose, C. M. McNeil, Eugene P. Shove, A. E. Carlton, L. G. Carlton, and O. H. Shoup, with whom he was closely associated.

—Charles J. Simon, Correspondent.

PROBATE REVISION

William E. Hutton, President of the Colorado Bar Association, has announced the appointment of a committee of the Colorado Bar Association to cooperate with a similar committee of the Colorado County Judges Association appointed by Judge C. Edgar Kettering, President of that association, to receive and compile suggestions for changes in the present Colorado probate laws and submit suggested amendments to the Colorado Legislature.

All members of the Bar and all county judges having suggested changes to make in the probate laws are requested to convey their suggestions to a member of one of these committees. Inasmuch as the committees have before them the remarks made by the various speakers at the Colorado Bar Association meeting, it will not be necessary to forward any of the suggestions made there to the committees.

CURRENT TAX DEVELOPMENTS

Discussed by ALBERT J. GOULD

LIQUIDATING CORPORATIONS EXEMPT FROM CAPITAL STOCK TAX

In view of the present trend toward liquidation of corporations, Washington, Baltimore & Annapolis Realty Corp. v. Commissioner (D. C. Md.), 10-23-40, and S. Makransky & Sons, Inc. v. U. S. (D. C. E. D. Pa.), 10-14-40, are of interest because they hold that corporations whose activities are confined to liquidation are not doing business and are exempt from the capital stock tax, even though the liquidation has not been completed during the month of July, when the capital stock tax return is required to be filed.

In the Makransky case the "operating assets" had been disposed of, but life insurance policies on the lives of the officers remained and income was received from sale of securities and dividends thereon.

TRUST LEGAL EXPENSES NOT DEDUCTIBLE

In trust of Carl Hicks White v. Commissioner (C. C. A. 3), 10-9-40, affirming 40 B. T. A. 663, the court said: "It seems now to be clear that the investing and reinvesting of assets, either by an individual for himself or by trustees on behalf of a trust estate, is pretty definitely determined not to constitute the carrying on of business," and held upon the theory that legal expenses incurred in construing the terms of the trust were not deductible by the trustees.

Some similar and related cases are: Deputy v. Dupont, 308 U. S. 488; City Bank v. Commissioner, 112 F. (2d) 457; Higgins v. Commissioner, 111 F. (2d) 795; Adams v. Commissioner, 110 F. (2d) 578.

DEDUCTIBILITY OF ATTORNEY'S FEES

Whether attorney's fees are deductible from income in connection with administration of an estate depends upon whether the estate is "doing business."

An interesting decision, which contains a rather complete discussion of the problem is Herbert Rivington Pine, et al. vs. U. S., U. S. Court of Claims, No. 44007, 10-7-40, Prentice-Hall, paragraph 62894.

In this case the court held attorney's fees were deductible because the executors were charged with the duty of managing large investments, and consequently were "doing business."

Boulder County Bar Entertains

The Boulder County Bar Association was host to members of the bar of the Eighth Judicial District at a Denver meeting in the Boulderado Hotel on November 18th. Guests of the local bar association also included Chief Justice Benjamin C. Hilliard, Dean Edward C. King, William E. Hutton, and Wm. Hedges Robinson, Jr. Dean King delivered an excellent paper upon recent trends in constitutional interpretation as shown by the tax decisions.

Chief Justice Hilliard gave a resume from a speech which he later delivered at Iowa: "Still, Nobody Knows the Law." Mr. Hutton briefly reviewed the progress of the state association and urged all lawyers to extend the membership of the bar associations so that they would include every lawyer in the state.

In excess of fifty lawyers attended the meeting, which honored the selection of Mr. King as the new Dean of the University of Colorado Law School. Before the dinner, members of the bar gathered before a bar well stocked by the Boulder association.

The Boulder County Bar Association has a committee working on the establishment of a uniform practice before the probate court of the county, which committee is to report at the next regular meeting to be held in Longmont on December 16th. At that time it is expected the recommendations of the committee of the Colorado Bar Association on probate procedure will be considered by the local association.

—Harlan Howlett, Correspondent.