

# CONVENTION FLASHBACK

# NCA

## Election results

Elected president of NCA was Cyril F. Brickfield, Bethesda CC, Bethesda, Md. Vice presidents elected were: Maurice A. Hessian, Minneapolis Athletic Club and Interlachen CC, Edina, Minn.; Paul J. McGraw, Country Club of Ithaca, N.Y.; Al Meillon, California GC, California City, Calif.; and Willard Steger, River Oaks CC, Houston, Tex. Louis L. Szep, Oklahoma City G & CC, Okla., was elected secretary, and George C. Delp, Lancaster CC, Lancaster, Pa., was named treasurer. Eight new directors were elected: James H. Brewer, Los Angeles CC, Los Angeles; Joseph J. Donoghue, Losanteville CC, Cincinnati; Jack Burke, Champions GC, Houston; Samuel E. Fulton, Tavistock CC, Haddenfield, N.J.; William Gosselin, Chilton Club, Boston; Melvan Jacobs, Northmoor CC, Chicago; H. Alton Owen, Harbour View Club, New York City, and Milton E. Meyer Jr., Pinehurst CC, Denver.

## Conference notes

Members attending the National Club Assn.'s 10th annual meeting in London, England, were able to participate in a panel discussion on the advisability of retaining non-profit exemptions and account-

ing problems under the new tax regulations. Appearing on the panel were Arthur Iredell, partner in the firm of Harris, Kerr, Forster, Inc., Robert Kranzler, partner in Laventhol, Kreckstein, Horvath and Horvath, and Milton E. Meyer, secretary, Pinehurst CC, a tax paying, member-owned golf club.

Attendees also heard John Fry, editorial director of GOLF and GOLFDOM Magazines, present an in-depth review of his magazines' research into the effect of rising property taxes on the private club industry.

In the association's Tax Clinic, Jack P. Janetatos, NCA's general counsel, analyzed the probable effect on private clubs of the forthcoming guidelines to the Tax Reform Act of 1969.

Janetatos noted, "Our clubs have now been subject to the law for a year . . . begin your thinking about compliance with this law by recognizing this—every club will have some tax liability. If you submit a return showing no tax due, you may expect a visit from agents of the Internal Revenue Service very soon thereafter . . . We have been subject to the law for a year and we have had no help from the Service by way of guidelines to interpret the law . . . This situation will change today."

Janetatos then discussed a meeting between NCA and the IRS

(see p. 10) in which the problems presented by the law were discussed in detail. He noted that clubs can expect major revisions in Revenue Procedure 64-36; that the question of reimbursement will remain paramount; that the rules on reciprocity will be tightened and that the Service will probably be flexible on deductions, although clubs will have to separate member and non-member expenses.

Janetatos also discussed the question of retaining or giving up a club's non-profit exemption in these words: "No decision can be made in the abstract as to whether tax exempt or taxable status is preferable. In our view the decision must be made by each club based upon its own circumstances."

Concluding the session, Janetatos said, ". . . I wish to urge upon you an attitude of tax-consciousness. You must understand the tax law and recognize its impact. Then you must apply it in your own case. Finally, you must plan your future activity and transactions in light of the tax law."

On the lighter, social side, 600 members of the association were guests of the Guinness Harp Corp. at a Black Velvet Party and attended their own membership reception and luncheon.

—Ken Emerson