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TAX SECTION OF THE DISTRICT OF COLUMBIA BAR
EXECUTIVE SUMMARY OF COMMENTS ON
1997 TEASURY/I.R.S. GUIDANCE PRIORITIES LIST

The Tax Section of the District of Columbia Bar is submitting four recommendations regarding items to be included on the 1997 Treasury/I.R.S. Guidance Priorities List.

- Guidance under Rev. Proc. 96-39, regarding the effect that negotiations, agreements or other arrangements relating to subsequent transactions will have on the characterization of a stock distribution that otherwise would be tax-free pursuant to section 355.

- Guidance on joint ventures between tax-exempt and for-profit organizations, including the tax consequences to the exempt organization where it contributes substantially all of its assets to the joint venture.

- Guidance relating to the amount of point-of-service activity an HMO may conduct before it becomes disqualified for exemption due to section 501(m).

- Update of the Employee/Independent Contractor Handbook to reflect the substantial changes in the law made by the passage of the Small Business Job Protection Act of 1996.