

tioners were not represented in the Tax Court by an attorney of record at that time.

On October 27, 1966 and August 8, 1967, conferences were held by the Service with Mr. Norman Raskin, an employee of the foundations. At the first conference in October of 1966, Mr. Raskin made certain contentions which necessitated a further examination by revenue agents. This examination was completed in May of 1967. At these conferences, Mr. Raskin was informed that we felt that it was almost impossible to discuss the legal questions involved and prepare the cases for trial under the rules of the Tax Court unless the petitioners were represented by counsel.

These cases were first set for trial by the Tax Court on March 6, 1967 but were continued on the agreed motion of the parties due to the supplemental investigation that was being made at that time.

Under date of September 5, 1967, the Tax Court set the above cases for report as to their status at the New York session beginning December 4, 1967. It was not until September 15, 1967, that the petitioners employed counsel and he entered his appearance as attorney of record.

At the report on the cases on December 4, 1967, we intend to request the Court to place the cases on a trial calendar in New York City.

The Public Health Foundation For Cancer and Blood Pressure Research, Inc., Docket No. 3034-65, is related to several other cases now pending before the Tax Court. These other cases are: The Rock Ledge Institute, Inc., Docket No. 3035-65, Falmouth, Ltd., Docket No. 3036-65, James H. Rand, Docket No. 4662-65, Florida Oceanographic Society, Inc., as transferee of Public Health Foundation, Docket No. 2688-65, Evelyn H. Heerman, Docket No. 2950-65, the Estate of Raymond E. Hackett, et al., Docket No. 1441-65, and Winfred C. Hoyt, et ux, Docket No. 3085-65. Petitioners in Docket Nos. 2688-65, 1441-65 and 3085-65 have requested trial in Miami, Florida Docket No. 2950-65 is calendared for report to the Court on February 12, 1968.

The statutory notices of deficiency were issued to the taxpayers in Docket Nos. 3034-65, 3035-65 and 3036-65 on March 5, 1965 and petitions therefrom were filed with the Tax Court on June 1, 1965. The respondent's answer in Docket No. 3035-65 was filed with the Court on July 21, 1965. On August 2, 1965, the Court granted the respondent's motion to extend time for filing answer in Docket No. 3034-65 from the due date of August 2, 1965 to September 15, 1965. On August 3, 1965, the Court granted a similar motion to extend the time for filing answer in Docket No. 3036-65. The reasons for the motions were the substantial deficiencies involved in the two cases and the additional time needed to assemble the necessary data essential to preparing detailed affirmative pleadings. On September 13, 1965, the respondent's answers in Docket Nos. 3034-65 and 3036-65 were filed with the Court. The petitioner's reply in Docket No. 3036-65 was filed on October 25, 1965.

On October 8, 1965, the petitioner in Docket No. 3034-65 filed a motion to require a more definite statement of affirmative allegations in answer, and on the same date filed a motion to extend time for filing reply pending disposition of motion to make more definite and certain. The latter motion was granted by the Court on October 11, 1965. The Court set a hearing on the motion for more definite statement for December 1, 1965, and provided for "proper amended pleadings" to be filed by November 17, 1965.

On November 12, 1965, the Court granted the respondent's motion for extension of time to December 22, 1965, to file amended pleadings and for continuance of hearing to January 12, 1966. The basis stated for the requested extension was the complexity of the transactions involved, as well as the minute detail requested by the petitioner. On December 10, 1965, an amended answer was filed in Docket No. 3034-65 and because of that filing, the Court, by Order dated December 23, 1965, denied the petitioner's motion for more definite statement. A reply was filed by the petitioner on January 28, 1966.

A statutory notice of deficiency was issued to James H. Rand for protective purposes and is a duplication of the liability asserted in Docket No. 2950-65. Inasmuch as Mr. Rand was outside the United States at that time, the petition was governed by the 150-day filing requirement and was filed with the Court timely on July 30, 1965 (Docket No. 4662-65). The respondent's answer thereto was filed on September 23, 1965.

On October 8, 1965, petitioner filed a motion to require a more definite statement of affirmative allegations in the answer, as well as a motion to extend time for filing a reply pending disposition of the motion to make more definite and