

From: "Barry J. Cohen" <[REDACTED]>
To: jeffrey E. <jeevacation@gmail.com>
Subject: RE: Sales tax on Rent--PRIVILEGED AND CONFIDENTIAL
Date: Mon, 18 Sep 2017 19:58:11 +0000

Heather says she thinks it is owed, but has been told (not sure by whom) that many don't pay sales tax. If you are suggesting that sales tax is owed, regardless of whether it is paid, that may be right.

From: jeffrey E. [mailto:jeevacation@gmail.com]
Sent: Monday, September 18, 2017 3:42 PM
To: Barry J. Cohen <[REDACTED]>
Subject: Re: Sales tax on Rent--PRIVILEGED AND CONFIDENTIAL

it is a lease. who advised you that no one pays. ? is that the same as it is not owed?

On Mon, Sep 18, 2017 at 2:40 PM, Barry J. Cohen <[REDACTED]> wrote:

Should Debra pre-decease, and our structure does not change, we agree that we have to seriously consider charging Leon rent. I think there is a strong case that trustees will want the art to remain hanging on Leon's wall if there is still the significant flow of curator traffic through his residences. As discussed, that traffic leads to loans, which can greatly enhance value. I.e., the art is on LDB's walls as much for the trusts' benefit as for LDB's.

If LDB pays rent to the trusts, then he arguably owes sales tax. We are advised that no one pays sales tax on rent, but we're not sure why that position is taken. If the trusts collect sales tax, we have always assumed that they would bear the burden of reporting and remitting it.

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please note

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