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September 20, 2006

John W. Bartlett
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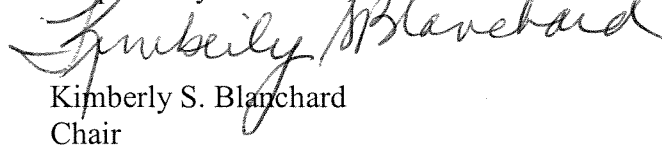
Re: **Report on Proposed Regulations Under Tax Law Sections
631(g) and 638(c) (Stock Options, Stock Appreciation Rights
and Restricted Stock)**

Dear Mr. Bartlett:

I am pleased to enclose New York State Bar Association Tax Section Report No. 1117, commenting on proposed regulations issued under sections 631(g) and 638(c) of the Tax Law. The enclosed report responds to the request for comments received from the New York State Department of Taxation and Finance (the "Department").

We appreciate your consideration of our recommendations and comments. We would be pleased to discuss these matters with you further or provide any other assistance that you would find helpful.

Respectfully submitted,


Kimberly S. Blanchard
Chair

Enclosure

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