

# “How Much” Taxes

“How much” using real estate taxes.

~~Lo Kaiser-Hilton.~~

549-7800

To Ann -  
My son Tony called. He said he wanted  
very much to be the full trustee with an  
agent to receive notices and processes from the  
court & commissioner as in the May 8th letter.

~~draft~~

First thing is to have the final  
accounting based on same figures  
as in the 1st acctg.

4 send it to me - do I have  
to sign it,

3 call - will do draft if final acctg.

2 deed to property - convey to court.

needs how much  
1

(1) 1985.08.16 (**How-much**) ""If the transfers are made in these percentages, you would then own 56.475% of each property (50% owned individually plus 12.95% of one-half interest in a property)".

(2) 1985.10.23 (**Deed-agreement-receipt**) "Enclosed is the Agreement which Mr. Mackell and I discussed"

(3) 1986.04.25 (**Draft**) ""I have agreed with Anthony O'Connell's attorney that we will provide them with a draft of the final accounting in the Harold O'Connell Estate"

(4) 1986.06.26 (**Send final**) "Miss Barnes will contact you at the time your signature is needed."

(4) 1986.08.08 (**Send final**) ""Enclosed is the Fourth and Final Accounting in the captioned estate with your checks in the amounts of \$35.00 and \$25.00"

LAW OFFICES

MACKALL, MACKALL, WALKER & SILVER

A PROFESSIONAL CORPORATION

4031 CHAIN BRIDGE ROAD

FAIRFAX, VIRGINIA

22030

HENRY C. MACKALL  
DOUGLASS S. MACKALL, III  
DOUGLAS D. WALKER  
GLENN H. SILVER  
NANCY E. GIBB

TELEPHONES  
(703) 273-0320  
(703) 273-0321

July 8, 1985

Mr. Anthony M. O'Connell  
2337 South Thirteenth Street  
St. Louis, Missouri 63104

Re: Estate of Harold A. O'Connell

Dear Mr. O'Connell:

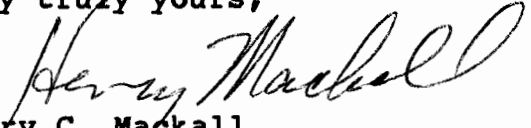
I have spoken with Ms. Barnes who agreed with my suggestion that a final account be filed by your mother reflecting the trust's ownership of an undivided percentage interest in the real estate.

Funds advanced by your mother to pay the trust's share of the real estate taxes would be treated as a liability of the trust to be repaid when the realty is sold. She advised me that the percentages were not exactly as earlier calculated because of a slight difference in some jointly owned property. She is sending me a new computation which I will forward when it arrives.

In the letter your mother received from Mr. McCandlish, mention was made of your being able to qualify without a co-trustee if you appointed an agent on whom process might be served. I assume he was talking about Section 26-59 of our Code which deals with non-resident fiduciaries. I don't believe it is applicable to your situation. Because of this and because it will make your mother feel more comfortable, I discussed with Ms. Barnes the idea of her qualifying as a co-trustee with you. She has agreed. Since your mother is the sole beneficiary of the trust during her lifetime and is willing to forego any income from the trust there seems no need to sell the land. It has proven to be a good investment and your mother seems willing and able to continue to pay the real estate taxes as they accrue. The Will contains a waiver of bond for the trustee so that expense can be avoided. After an initial account there will only be a requirement to file one every three years showing no activity. When land is sold this situation will change but, at least for now, there will be little expense.

I think we can plan for you to come east at a time when Ms. Barnes is available so the two of you can qualify as trustees. The estate can be closed with little effort.

Very truly yours,

A handwritten signature in cursive script that reads "Henry Mackall". The signature is written in dark ink and is positioned above the typed name.

Henry C. Mackall

HCM/jkw  
Enclosure

**\$13,841.24**

“I don’t understand what the family is supposed to do with this. The family does not have the power to make the accountants integrate this into their accounting.”

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HENRY C. MACKALL  
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DOUGLAS D. WALKER  
GLENN H. SILVER  
NANCY E. GIBB

AMY E. BLANCHARD

TELEPHONES  
(703) 273-0320  
(703) 273-0321

November 25, 1985

Mr. Anthony M. O'Connell  
2337 South 13th Street  
St. Louis, Missouri 63104

Re: Estate of Harold M. O'Connell

Dear Mr. O'Connell:

I have discussed the percentage of the real estate which is owned by the Testamentary Trust under your father's Will with Mr. White and Ms. Barnes. The correct figure is 46.0994%. When you and Mr. Higham qualify as Trustees, a final account can be filed and the agreement with the revised percentages can be signed. I have made changes in ink and you can initial those changes to reflect the correct percentages.

As I have discussed with Mr. White and Ms. Barnes, the advances which your mother has made and will make to pay the taxes will be treated as loans to the Testamentary Trust which do not bear interest and which will be payable only when the properties are sold. Ms. Barnes advises me that through 1984 the taxes paid for the benefit of the Trust on the percentage ownership which the Trust has have amounted to \$13,841.24. I have not checked her figures but understand that they all came from the annual accounting filed on behalf of the Estate.

I am glad that this matter has been concluded successfully and look forward to seeing you when you come to qualify.

Sincerely,

  
Henry C. Mackall

HCM/jkw  
cc: Edward J. White, Esq.  
Ms. Joanna Barnes

LAW OFFICES

**MACKALL, MACKALL, WALKER & SILVER**

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GLENN H. SILVER  
NANCY E. GIBB

AMY E. BLANCHARD

TELEPHONES  
(703) 273-0320  
(703) 273-0321

December 4, 1985

Mr. Anthony M. O'Connell  
2337 South 13th Street  
St. Louis, Missouri 63104

Re: Estate of Harold M. O'Connell

Dear Mr. O'Connell:

I received the message you left for me last Friday afternoon which was repeated in your letter of November 29. Mrs. O'Connell is the lifetime beneficiary of the Trust under which you will be acting. She is therefore entitled as a matter of right, to use the property which constitutes the corpus of the Trust. I have a great deal of concern over taking a position that she must pay for the right to use the Trust property. This is particularly true since she is a co-tenant in her own right, owning 53.810%. As such, she has a right to occupy the property irrespective of the Trust provisions.

As things have been proposed, it would not be necessary for you and Mr. Higham to be in Court at the same time as Mrs. O'Connell. In the event no agreement is reached, there will inevitably come a time when a confrontation in Court must take place. I continue to believe this can be avoided.

If we are unable to reach an agreement, I fear that Mrs. O'Connell will contest your request to act as Trustee. The questions will then have to be determined by the Court. I don't know the nature of your disagreement with her but it seems clear

that there is a direct conflict between you and her. I frankly doubt that the Court would permit you to serve as Trustee in view of that conflict. I believe your failure to agree that sums advanced by Mrs. O'Connell to pay real estate taxes due on trust property could lead to the kind of confrontation we have been trying to avoid. From the figures you gave me with respect to the value of the real estate, the small amount of tax payments would not seem to be very important. I think you ought to reconsider your position with respect to these taxes. Please review this question and let me know your decision.

Sincerely,



Henry C. Mackall

HCM/jkw

P.S. Enclosed is a redrafted agreement for your review.  
Hen



**\$13,841.24**

“I don’t understand what the family is supposed to do with this. The family does not have the power to make the accountants integrate this into their accounting.

EDWARD J. WHITE  
ATTORNEY AT LAW  
118 SOUTH ROYAL STREET  
ALEXANDRIA, VIRGINIA 22314  
—  
TELEPHONE 836-5444

January 27, 1986

Mrs. Jean M. O'Connell  
6541 Franconia Road  
Springfield, Va 22150

Re: Estate of Harold A. O'Connell

Dear Mrs. O'Connell:

At long last we have a signed Agreement concerning the funding of the Trust. The Agreement is enclosed.

The only difference between this Agreement and the previous agreement which I had drafted is the change in the percentage of ownership between you and the Trusts. Originally, Ms. Barnes had computed the ownership of the Trust at 43.525. She and Mr. Mackall and I now agree that the figures should be 46.0994. The Agreement also contains a provision in paragraph 5 that if the property is sold during your life, that you will be reimbursed for the principal of all real estate taxes on that property.


Mr. O'Connell was unwilling to agree to pay interest on the real estate tax advancements. While I am at a loss to understand his attitude, I am of the opinion that we would be best served by signing the Agreement as is.

Ms. Barnes has computed that through 1984 you paid taxes in the amount of \$13,841.24.

Please sign the Agreement and return it to me as soon as possible, and I will forward it to Mr. Mackall for the Co-Trustees' signature and filing with the Commissioner of Accounts. At that point the trust will then be funded and the responsibility for filing accounts and inventories will be that of the Trustees.

We can then have Ms. Barnes complete the final accounting for the Estate and the matter will be closed.

Sincerely,



Edward J. White

EJW/mc  
Enclosures

AGREEMENT

THIS AGREEMENT, made this 23 day of Jan., 1986 by and between JEAN M. O'CONNELL and ANTHONY M. O'CONNELL and HERBERT ANDERSON HIGHAM, Trustees, provides:

WHEREAS, under the Will of the late HAROLD A. O'CONNELL, which Will has been admitted to probate among the records of the Circuit Court of Fairfax County, certain property was left to ANTHONY M. O'CONNELL, Trustee, upon the terms and conditions of the Trust set forth in the aforesaid Will;

WHEREAS, ANTHONY M. O'CONNELL is not a resident of the Commonwealth of Virginia and HERBERT ANDERSON HIGHAM has qualified as Co-Trustee in this case;

WHEREAS, the corpus of the Trust, as presently constituted, consists of a 46.0994 percent ownership of two parcels of real estate located in Fairfax County, Virginia, the first being known as 6541 Franconia Road, and is the residence of JEAN M. O'CONNELL, the second being fifteen (15) acres of land located in Accotink Station, identified as Map Reference number 090-4-01-0017;

WHEREAS, it is the desire of the parties to fund the Trust as set forth in the Will and to provide security for JEAN M. O'CONNELL, and stability for the Trust;

IT IS HEREBY AGREED that in return for mutual promises as consideration for this agreement, the parties agree to the following:

1. The Co-Trustees, by their signatures hereupon, acknowledge receipt of the 46.0994 percent ownership of the two parcels referred to above.
2. JEAN M. O'CONNELL hereby agrees that she is the owner of the remaining 53.9006 percentage interest of the two parcels referred to above.

3. JEAN M. O'CONNELL hereby agrees that she will at all times pay the real estate taxes and other costs of maintaining these two parcels of property.

4. The Trustees hereby agree that during the life of JEAN M. O'CONNELL, they will not sell or attempt to sell by partition or otherwise, either of the two tracts of property without the written permission of JEAN M. O'CONNELL.

5. The Trustees agree that if either property is sold during the life of JEAN M. O'CONNELL she will be reimbursed from the sale proceeds the principal of all real estate taxes on that property paid by her which are attributable to the percentage ownership of the Trust.

In all other respects, the parties hereto agree that they are bound by the terms of the Will and Trust established therein.

*Jean M. O'Connell*  
JEAN M. O'CONNELL

*Anthony M. O'Connell*  
ANTHONY M. O'CONNELL

*Herbert Anderson Higham*  
HERBERT ANDERSON HIGHAM

EDWARD J. WHITE  
ATTORNEY AT LAW  
118 SOUTH ROYAL STREET  
ALEXANDRIA, VIRGINIA 22314

TELEPHONE 836-5444

August 8, 1986

Hon. Robert J. McCandlish, Esq.  
Commissioner of Accounts  
4069 Chain Bridge Road  
Fairfax, Virginia 22030

Re: Estate of Harold M. O'Connell

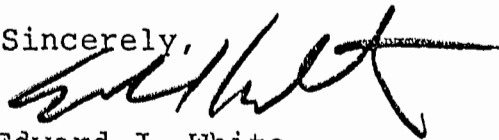
Dear Mr. McCandlish,

Enclosed is the Fourth and Final Accounting in the captioned estate with your checks in the amounts of \$35.00 and \$25.00.

Please note that the Trustees have qualified in this case and the attached agreement is submitted as a receipt for the trust property.

The vouchers for the real estate taxes paid by Mrs. O'Connell add to more than the amount stated but in this case it makes no difference.

Sincerely,



Edward J. White

EJW/e  
Encl.  
Copy to: Mrs. O'Connell

**ANTHONY M. O'CONNELL**  
**CONSERVATOR**  
**2337 SOUTH THIRTEENTH STREET**  
**ST. LOUIS, MISSOURI 63104**  
**(314) 776-4926**

August 23, 1988

Dear Mother,

Hope you are well. I'm glad the lift salesman called you. The rug you gave me that you wanted return I sent back via UPS about two weeks ago. If you didn't get it please call me.

I've enclosed a copy of the real estate tax bill on Accotink to show you that it is sent "in care" of me not "as owner". I am not aware of any way in which paying someone else's real estate taxes entitles them to become the new owner. If someone told you that I had<sup>had</sup> or that it is even possible, to have the bill made out to me as owner, they are just fanning the flames of conflict.

Since you paid the trust's portion of all real estate taxes since the inception of the trust because the trust had no cash, you are now to be reimbursed. I felt that since the trust now has cash, that the trust is responsible for its own expenses and obligations against it, that the trust has to have a bill or document to justify any expenditure, and that the income and expenses against income passing through the trust to you has to<sup>be</sup> accounted for by the trust, it seemed reasonable for the trust to get the bill.

Fairfax will not send two bills or duplicate bills to different addresses. They could not allocate separate checks to your portion and to the trust's portion. If two separate checks were sent it would have to be coordinated quickly in order to prevent the 10% penalty.

ANTHONY M. O'CONNELL  
CONSERVATOR  
2337 SOUTH THIRTEENTH STREET  
ST. LOUIS, MISSOURI 63104  

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(314) 776-4926

I called Fairfax to find out how the bill could be sent to you if that's what you still want. They told me that only the person who will be paying the bill can change it, ie., you.

If you want the bill sent to you <sup>fine, &</sup> I think your power of attorney may have some ideas on some arrangement where I can fulfil my responsibilities as trustee and your needs are meet.

In light of this misunderstanding, perhaps it would be better if your CPA and/or power of attorney sent me an accounting of all of the real estate taxes the trust owes you, rather than I do it. I will wait to hear from your power of attorney.

I don't know what you mean that you don't believe you could bear to see it (Oak Grove) from what <sup>(you)</sup> I have heard? Has my home been vandalized or are you referring to my landscaping? It makes me think of your comment as to whether I had secretly promised the Lynch's that I would destroy the place. I can only say no I did not, and that I waited until the day after settlement to ask the Lynchs if I could rent it in order to avoid any hint of duplicity.

In my May 5th letter I asked you whether you would accept or not accept me moving to Oak Grove on the conditions I stated, and that there would be no hard feelings if you said no. On your verbal acceptance I put my house up for sale, packed, and Andy has resigned as cotrustee.

Because I felt that you resented me living there when I visited you in July, I resubmitted that letter of May 5<sup>th</sup> to you, and asked you to sign it as to whether you would accept or not accept it, and you declined. If it offended you I apologize. My purpose was to find out how you really felt about me living there.

ANTHONY M. O'CONNELL  
CONSERVATOR  
2337 SOUTH THIRTEENTH STREET  
ST. LOUIS, MISSOURI 63104  

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(314) 776-4926

I would very much like to try to air out any misunderstandings, or to find out if they are other than misunderstandings. Would you be willing to tell me what you consider I did wrong since I began trying to fund the trust in 1985?

I feel the worst that could happen is that there would be no improvement in our relationship, and that the potential of increasing the quality of our relationship is considerable.

Please do tell me what you consider I did wrong since I began trying to fund the trust in 1985.

I look forward to hearing from you.

Love, Tony

A handwritten signature in cursive script that reads "Tony". The signature is written in black ink and is positioned below the typed name "Tony".

Inclosure (1)

Tax bill on Accotink, 7/22/88



ANTHONY M. O'CONNELL  
CONSERVATOR  
2337 SOUTH THIRTEENTH STREET  
ST. LOUIS, MISSOURI 63104

(314) 776-4926

September 27, 1988

Dear Mother,

Thanks for your letter. It sounds as if your enjoying Goodwin House more and more.

I'm glad you agreed to tell me what you think I did wrong since begining to fund the trust in May of 1985. What I need inorder to address any of the issues is very complete and very specific information, ie., exact information as you can remember and as complete information as you can remember. I would hope that you could do it in one letter so as not to drag it on indifintely. I know it is a lot of time, effort and work on your part to write down every specific thing since May of 1985 but I think we both would be better off from here on out.

Please tell me how you decide to handle the Accotink real estate tax. You mention in your letter "Do I understand that you will be paying the other half in December?" If you want me to continue to pay the entirity from the trust and send you a copy of the paid bill I would be happy to do that. Please let me know. Also, I have not heard from your accountant or attorney concerning an accounting of the back taxes the trust owes you.

I noticed that you don't sign your letters any more or just use the letter "M". Why is that?

Some people in St. Louis are upset that during the debate George Bush used St. Louis as an example of bad public housing. It is horrible. He's right.

I trust you had a good trip to Richmond.

LOVE,  
Tony

ANTHONY M. O'CONNELL  
CONSERVATOR  
2337 SOUTH THIRTEENTH STREET  
ST. LOUIS, MISSOURI 63104  

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(314) 776-4926

November 1, 1988

Dear Mother,

I paid the enclosed Accotink real estate bill out of the trust.  
Again, if you want it done differently, please tell me how you  
want it done.

Love,

*Tony*

Enclosure (1)

manner hereinabove provided. The exercise of the foregoing power and discretion by my Executor shall not be subject to question by or on behalf of any beneficiary.

FIFTH: All the rest, residue and remainder of my property, real and personal, tangible and intangible, wheresoever situate and howsoever held, including any property over which I have a power of appointment under any instrument, (including, in the event that my wife shall not survive me and live for sixty (60) days after my death, that portion of my estate which otherwise would comprise the Marital Share), herein referred to as my Residuary Estate, shall be disposed of as follows:

A. In the event that my wife, JEAN M. O'CONNELL, shall survive me and live for sixty (60) days after my death, I give, devise and bequeath my Residuary Estate to my Trustee, hereinafter named, in trust, herein referred to as my Residuary Trust, to be held, administered and disposed of by my Trustee as follows:

1. So long as my wife, JEAN M. O'CONNELL, shall live, my Trustee shall pay to her or expend for her benefit, in convenient installments, all the net income arising from my Residuary Trust from and after the date of my death. In addition to such income payments, so long as my wife shall live, my Trustee is authorized to pay to my wife or expend for her benefit, from time to time, so much of the principal of my Residuary Trust as my Trustee, in the sole discretion of my Trustee shall deem necessary for her support and maintenance; provided, however, that none of the principal of the Residuary Trust shall be so paid or expended for the benefit of my wife so long as income or assets are readily available to her from any other source. In determining whether income or assets are so available to my wife, my Trustee may rely, and shall be fully protected in relying, upon the affidavit of my

Accountants instruct the family with impunity behind the opaque.

