

M E M O R A N D U M

May 20, 1983

TO: REVIEW STAFF
FROM: DIANA J. LEE
RE: Tax Opinion Disclosures

I'm still seeing lots of plans that contain the following disclaimer language in the tax opinion:

NO WARRANTIES OR REPRESENTATIONS ARE MADE THAT THE INTERNAL REVENUE SERVICE, THE DEPARTMENT OF TAXATION AND FINANCE OF THE STATE OF NEW YORK OR THE DEPARTMENT OF FINANCE OF THE CITY OF NEW YORK WILL ALLOW INCOME TAX DEDUCTIONS OR THAT THE TAX LAWS UPON WHICH THE COUNSEL TO THE SPONSOR BASE THEIR OPINION (SET FORTH ABOVE) WILL NOT CHANGE. IN NO EVENT WILL THE SPONSOR, THE SPONSOR'S COUNSEL, THE OWNER, THE SELLING AGENT OR ANY OTHER PERSON BE LIABLE IF FOR ANY REASON IT SHALL BE DETERMINED THAT THE CONDOMINIUM DOES NOT MEET OR AT ANY FUTURE TIME CEASES TO MEET THE RELEVANT REQUIREMENTS OF THE CODE, THE NEW YORK TAX LAW OR THE NEW YORK CITY ADMINISTRATIVE CODE, OR ANY AMENDMENT OF ANY THEREOF. MOREOVER, NONE OF THE AFORESAID MAKES ANY WARRANTIES OR REPRESENTATIONS WITH RESPECT TO THE TAX CONSEQUENCES OF THIS PLAN OR THE TAX CONSEQUENCES OF OWNERSHIP OF ANY UNITS OFFERED UNDER THIS PLAN EXCEPT AS EXPRESSLY SET FORTH HEREIN, AND NO ONE ELSE HAS BEEN AUTHORIZED TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE HEREIN CONTAINED.

or

NO WARRANTIES OR REPRESENTATIONS ARE MADE THAT THE INTERNAL REVENUE SERVICE, THE DEPARTMENT OF TAXATION AND FINANCE OF THE STATE OF NEW YORK OR THE DEPARTMENT OF FINANCE OF THE CITY OF NEW YORK ARE OF LIKE OPINION.

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