

Baty Case Victory For Petitioner

July 07, 2022

2022-6

In issues 2022-2 and 2022-4, we discussed a Tax Court case *Baty v. Comm'r*. The case involved a GRAT in which the IRS contended that (i) a zeroed-out GRAT was invalidated due to a failure to disclose relevant facts concerning its execution and (ii) the grantor was liable for an IRC Sec. 6662 penalty of over \$7 million.

Petitioner filed a motion for summary judgment on both issues. The IRS has, in effect, conceded both issues and the case is now closed.

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