

Freedson v. Commissioner, 65 T. C. 333 (1975)

Failure to respond to a request for admissions results in the automatic admission of the stated facts without need for a court order.

Summary

In *Freedson v. Commissioner*, the United States Tax Court clarified that under Rule 90 of its Rules of Practice and Procedure, a party's failure to respond to a properly served request for admissions within the stipulated time automatically deems the facts admitted. The case involved petitioners who did not respond to the Commissioner's requests for admissions, leading to the automatic admission of those facts. The court emphasized that no formal order from the court is necessary to effect this admission, rendering the Commissioner's motions for such orders superfluous.

Facts

On July 25, 1975, the Commissioner served requests for admissions on the petitioners' counsel in two separate cases. These requests were filed with the court on July 29, 1975. The petitioners did not file any response to these requests. Subsequently, the Commissioner filed motions on September 12 and September 23, 1975, requesting the court to enter orders deeming the statements in the requests for admissions admitted due to the petitioners' failure to respond.

Procedural History

The Commissioner served the requests for admissions on July 25, 1975, and filed them with the court on July 29, 1975. After the petitioners failed to respond, the Commissioner filed motions on September 12 and September 23, 1975, to have the court declare the statements in the requests admitted. These motions were heard on October 29, 1975, with no appearance by the petitioners. The court issued its opinion on November 12, 1975, denying the motions as unnecessary.

Issue(s)

1. Whether a party's failure to respond to a request for admissions automatically deems the statements in the request admitted without a court order?

Holding

1. Yes, because under Rule 90(c) of the Tax Court Rules of Practice and Procedure, matters in a request for admissions are deemed admitted if no response is made within the specified time, without the necessity of a court order.

Court's Reasoning

The court's decision was based on Rule 90 of the Tax Court Rules of Practice and Procedure, which closely follows Federal Rule of Civil Procedure 36. The court emphasized that Rule 90(c) requires affirmative action to avoid an admission, and failure to respond within 30 days results in automatic admission of the facts. The court cited several federal cases supporting this interpretation, such as *Moosman v. Joseph P. Blitz, Inc.* and *Mangan v. Broderick & Bascom Rope Co.*, which established that no court order is needed for the admission to take effect. The court also noted that the Commissioner's motions were unnecessary because the admissions were already effective under the rule. The court distinguished Rule 90(f), which deals with sanctions for unjustified failures to admit, from the automatic admission provision in Rule 90(c).

Practical Implications

This decision has significant implications for legal practice in tax and other civil litigation. It underscores the importance of timely responses to requests for admissions, as failure to do so results in automatic admission of facts. Practitioners should ensure they calendar and respond to such requests within the 30-day window to avoid unintended admissions that could adversely affect their case. The ruling also clarifies that no court order is needed to enforce an admission, simplifying procedural steps but increasing the risk for non-responding parties. Later cases have followed this ruling, reinforcing the automatic nature of admissions under similar procedural rules.