



# American Taxation Association

Volume 50, No. 1 Spring 2004

Nancy B. Nichols, Editor

## PRESIDENT'S LETTER

It is hard to believe that the Fall 2003 semester is over and the 2004 Midyear Meeting in Denver will soon be here. Mark Higgins and his entire committee have done a wonderful job in putting together a program that should prove beneficial to everyone who attends. We are hopeful that many in the ATA will find Denver more affordable than Hawaii and that we have a strong attendance at the Midyear Meeting.

The 2004 ATA Midyear Meeting will be held in Denver Colorado at the Westin Tabor Center on February 27–28, 2004. Information about the program and how to register for both the conference and the hotel have been sent to you by mail. This same information is also available on the ATA Website [<http://www.atasection.org>]. The program begins at 8:30 am on Friday with KPMG-sponsored CPE sessions on both Sarbanes-Oxley and mergers and acquisitions. CPE sessions delivered by ATA members on teaching with technology and how to use tax simulations in the classroom will also be available. The JATA Conference will be held from 1:30 pm until 6 pm on Friday and will include an interesting set of papers for the participants to discuss. Running concurrently with the JATA Conference will be equally an interesting session discussing a group of legal research papers and a session on how to increase class discussion using both traditional and online techniques.

The Saturday morning sessions feature research presentations by newer faculty and Ph.D. students, how to write tax cases for the classroom and for publication, how to get research ideas and develop a sustainable line of research, and a



**Dave N. Stewart**  
**ATA President**

session devoted to the submission that won the 2003 ATA/Deloitte Innovation in Teaching Award. After listening to Ms. Karen Kenney, Tax Director and International Controller at JD Edwards, the afternoon sessions will include an education research workshop, a session on how academic research can yield timely tax policy recommendations, a session discussing the Model Tax Curriculum, and finally a session on how to constructively review a journal submission.

Thanks to a generous gift from the Ernst & Young Foundation, the ATA will again be able to partially fund travel for accounting doctoral students to the ATA Midyear Meeting. Students may apply by sending a letter of application via email to Professor Silvia Madeo at the University of Georgia ([smadeo@terry.uga.edu](mailto:smadeo@terry.uga.edu)) no later than January 16, 2004. The letter should indicate what doctoral program the student is in, how long he/she has been in it, what the student's teaching/research interests are,

and estimated cost of attending the meeting (provide details on air fare and hotel costs). The maximum grant is \$500.

Planning for the 2005 Midyear Meeting in Washington, D.C. is already underway. Hughlene Burton and her committee have already done much of the preliminary planning, but are always interested in any suggestions that the membership of the ATA might have that would enhance the relevance of our midyear meetings. If you have any suggestions, please contact Hughlene ([haburton@email.uncc.edu](mailto:haburton@email.uncc.edu)).

Believe it or not, it is time to think about what committee you would like to serve on for the 2004–2005 academic year. Our President-Elect, Fran Ayres, will be selecting committee chairs as well as forming next year's committees this spring. If you have not already received an email from Fran, please look for one where she will provide additional information about the committee selection process. You may submit your request online via the website (<http://www.atasection.org>). The ATA is a vibrant organization and could not accomplish what it has without the dedication and innovative ideas of its members, so do not hesitate to volunteer for the committee of your choice. Fran ([fayres@ou.edu](mailto:fayres@ou.edu)) welcomes any suggestions you might have regarding future directions for the ATA.

If you have any suggestions regarding the remainder of this academic year, please feel free to contact me via phone: (801) 422-2365 or email: [dstewart@byu.edu](mailto:dstewart@byu.edu). I am looking forward to seeing all of you in Denver!

## CALL FOR NOMINATIONS

### ATA Officers, Trustees, and Publications Committee

The ATA Nominations Committee is seeking nominations for the following positions for the 2004–2005 academic year:

President-Elect  
Vice President-Elect  
Secretary  
Four Trustees (two-year terms)  
Two members of the Publications Committee (two-year terms)

Please take the time to think about those you would like to see in ATA leadership positions. These individuals will influence the activities of the ATA in the coming years.

Please email, phone, fax, or mail your nominations by January 31, 2004 (earlier nominations are encouraged) to:

Anne Christensen  
College of Business  
PO Box 173040  
Montana State University  
Bozeman, MT 59717-3040  
Phone: (406) 994-2043  
Fax: (406) 994-6206  
Email: [annec@montana.edu](mailto:annec@montana.edu)

## AAA REGIONAL MEETINGS 2004

ATA members are encouraged to attend the AAA regional meetings to help ensure high-quality tax sessions at these meetings. Dates and locations for the annual regional meetings are as follows:

| <b>Region</b> | <b>Date</b>               | <b>Location</b>   |
|---------------|---------------------------|-------------------|
| Midwest       | March 25 – 27, 2004       | Kansas City, MO   |
| Southwest     | March 25 – March 27, 2004 | Austin, TX        |
| Southeast     | April 1 – 3, 2004         | Lexington, KY     |
| Mid-Atlantic  | April 15 – 17, 2003       | Arlington, VA     |
| Western       | April 29 – May 1, 2004    | Newport Beach, CA |
| Northeast     | April 29 – May 1, 2004    | Albany, NY        |
| Ohio          | May 6 – 8, 2003           | Akron, OH         |

Additional information about AAA meetings is also available at <http://aaahq.org/meetings/default.cfm>.

### Newsletter Deadline: SUMMER 2004 Issue

The deadline for submitting information to the Summer 2004 edition of the *ATA Newsletter* is April 19, 2004. Please send information to:

Nancy Nichols • MSC 0203 • James Madison University • Harrisonburg, VA 22807  
Phone: (540) 568-8778 • Fax: (540) 568-3017 • Email: [nicholnb@jmu.edu](mailto:nicholnb@jmu.edu)

Faculty announcements submitted to the *ATA Newsletter* are published in the Fall, Spring and Summer issues. The announcements are selected on a FIFO and space-available basis. Please send your announcement as an email attachment to [nicholnb@jmu.edu](mailto:nicholnb@jmu.edu) Alternatively, you can mail both a hard copy and a digital file (on a disk) of your announcement to the editor at the above address.

# Minutes of Annual ATA Business Meeting AUGUST 4, 2003 — HONOLULU, HAWAII

Beth Kern called the meeting to order at 10:20 am and welcomed the members to Hawaii. She announced that Deloitte & Touche has agreed to fund the Teaching Innovation award for each of the next three years. Southwestern Publishing will contribute \$3,000 for the PWC Outstanding Tax Dissertation award. Ernst & Young is providing two years' support to bring doctoral students to the midyear meeting. KPMG has recently agreed to contribute \$25,000 for the midyear meeting for each of the next three years.

Susan Anderson presented the minutes of the ATA Business Meetings held in August 2002 and February 2003. Dick Weber motioned to approve the minutes and Jon Davis seconded the motion. The minutes were approved.

Ellen Cook reviewed the Treasurer's report for 2002-2003. During this period, the ATA received two years of KPMG contributions for the midyear meeting. Ellen explained that the ATA had a positive cash balance due to cash generated by the midyear meeting.

Dave Stewart presented the 2003-2004 budget. The budget reflects the increase in dues to \$35. The budget does not include Southwestern Publishing's commitment of \$3,000 and a \$5,000 increase in funding from KPMG for the midyear meeting. Dave mentioned that the AAA has budget concerns that may impact the ATA in the future and that he will monitor this situation.

John Robinson provided the *JATA* editor's report. He thanked both the editorial board and the members of the *JATA* conference committee for their constructive reviews. During the past year, 25 papers were submitted, a number consistent with prior years. He said that the number of papers revised is down. He suggested that authors contact him if they have questions about editor's letters. Submissions to the *JATA* conference have also declined. Last year there were 15 submissions to the *JATA* conference. Turnaround time for reviews is averaging eight weeks.

John Robinson also gave the *JLTR* editor's report on behalf of Gene Seago. Gene is receiving more papers addressing long-term issues than current issues. One paper has been published on the web. Twelve papers have been submitted during the 7/1/2002 to 6/30/2003 period and four papers have been accepted.

Greg Carnes reported for the Accreditation and Curriculum Issues committee. The committee has updated the syllabi database and followed the changes in accreditation standards. Greg explained that new AACSB business standards were approved in April and new accounting standards will be voted on next year. Greg said that these standards have no specific impact on tax programs.

Cyndi Vines gave an update on the 2003 Annual Meeting. Twenty-five papers were submitted; 18 papers were accepted for six research sessions. The ATA has one more research session than last year. Kaye Newberry will chair next year's Annual Meeting and encouraged submissions since the number of sessions the ATA receives is based on submissions.

Ed Outslay reported on behalf of the ATA/Deloitte & Touche Teaching Innovation Award committee. He thanked D&T for its support and the members of his committee for their hard work. The committee received eight submissions and had a very difficult choice. The award will be presented at today's luncheon, but the recipients will not present their innovation until the mid-year meeting in Denver.

Fran Ayres presented the report for the PWC/Outstanding Tax Manuscript Committee. The committee began by identifying 40 papers in the last two years that used the work "tax." Fifteen of these papers were nominated. The award will be presented at the ATA luncheon.

Susan Anderson gave a report for the Archives Task Force. All newsletters dating back to 1978 have been scanned and will be placed on the web shortly. She asked for anyone with newsletters prior to 1978 to contact her.

Bob Gardner spoke on behalf of the awards committee. The Sommerfeld and Outstanding Service awards will both be given at the midyear meeting due to the number of members who were unable to come to the Hawaii meeting.

Lil Mills encouraged new faculty to submit papers to the midyear meeting. The submission deadline has been extended to November 15.

Beth reported for the New Faculty Concerns committee. This group had a successful year, including organizing a breakfast at the midyear meeting.

Mike Roberts reported for the Education Research committee. Three education papers were presented at the 2003 Midyear Meeting. The deadline for submitting education research papers for the 2004 Midyear Meeting is October 15. Mike encouraged those with ideas about improving tax education to conduct research in this area.

Beth Kern reported for the Graduate Tax Education committee. They had conducted a survey of graduate programs that was presented at the midyear meeting.

Chris Bauman discussed the Internships, Sabbaticals and External Relations committee's work this year. The AICPA is looking for members to work with them on sabbaticals in Washington, D.C.

Stu Karlinsky presented the Legal Research Committee's report. He thanked the committee for its work in reviewing eight papers for a session at the 2003 Midyear Meeting. Fifty-five members attended this legal research session. He mentioned the call for papers for the 2004 Midyear Meeting appearing in the blue book.

Anne Christensen spoke for Silvia Madeo, chair of the Long-Range Planning Task Force. The task force is addressing concerns regarding the declining number of members and decreased support for tax faculty. The Task force obtained a commitment from Ernst & Young to provide \$5,000 per year for doctoral students to attend the ATA Midyear Meeting. The Task Force is gathering data on the number of tax students in doctoral programs; however, the initial numbers are not good.

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## Minutes of Annual ATA Business Meeting *(continued from page 3)*

The committee is trying to identify ways to encourage more students to pursue academic careers in taxation.

Nancy Nichols reported for the membership committee. The committee has developed a database of members who have left the ATA in the past year. Nancy is the incoming editor of the newsletter and she reminded members that the deadline for submitting items for the Fall Newsletter is August 22.

Amy Dunbar gave the final report for the 2003 Mid-year Meeting. She thanked all her committee members for their hard work.

Shelley Rhoades-Catanach reported for the Publications Committee. During 2002–2003, the Committee recommended that all members receive free access to *JLTR* and the trustees approved this recommendation. The Publications Committee has explored the creation of an ATA education research journal. Due to the existence of other outlets and the low number of tax education papers submitted to previous midyear meetings, the committee has recommended against establishing an education journal at this time. The Board of Trustees agreed with this recommendation at their August 3rd meeting. The Publications Committee will be making a call for nominations for editor of *JATA* in the Fall newsletter.

Sharon Cox gave the report for the Regional Programs committee on behalf of Carol Fischer. Sharon thanked the committee members. In the past year, there were ten tax sessions held at the seven regional meetings. The committee tried to encourage tax submissions and increase awareness of meetings and deadlines. The committee has suggested including abstracts for tax papers to be presented at regional meetings in the midyear meeting program materials.

Jon Davis updated the membership on the Research Resources and Methodologies Committee's activities. The committee organized two sessions for the midyear meeting, one with new faculty research and a second session examining stock option research. The committee also wrote a column for the newsletter identifying tax articles in journals not typically read by tax faculty.

Tony Curatola gave the report of the Tax Policy Research Oversight committee. The committee sent approximately four comment letters to the Treasury. It has also prepared policy reports that are available on the web. Tony commended the committee for their work. The members often review these reports and turn them around in 48 hours.

Tim Rupert presented the Teaching Resources Committee's report. The committee presented a session on the changing CPA exam at the midyear meeting for which materials are available on the ATA website. Committee members wrote articles for the newsletter on critical thinking and service learning. The committee is also starting an electronic case exchange. Submissions can be sent to Tim or Suzanne Luttmann.

Nell Adkins spoke on behalf of the Technology Resources Committee. This committee typically assists the *JATA* associate editor with software reviews. There were no software reviews this year due to the lack of new software. The committee will work with the associate editor to discuss ideas for this section of *JATA*.

Chris Bauman announced the creation of a *pro bono* task force. This task force will ascertain the types and amount of services that ATA members provide to low-income taxpayers and nonresident students and faculty, then report back to the membership.

Steve Thompson, Webmaster, will post a survey about the website after the beginning of the semester.

Dick Weber presented a proposed change to the by-laws. This change clarifies the process for nominating officers and trustees, replacing the list of positions in the current section XII of the bylaws as follows:

President-Elect, Vice-President-Elect, Secretary, Treasurer (if term is expiring), Trustees (the number necessary due to expiring terms), two members of the Publications Committee, and a Journal Editor-Elect if the Editor's term is expiring.

The nomination for the Journal Editor-Elect originates in the Publications Committee following procedures specified in the publications Handbook. The Publications Committee will recommend to the Board of Trustees one qualified and willing candidate for Editor-Elect. The Trustees can approve the recommendation or send it back to the committee for reconsideration. After approval by the Board of Trustees, the Editor-Elect will be added to the Nominations Committee slate.

The Nominations Committee will present its slate to the Board of Trustees for approval before bringing it to the membership for a vote.

The motion to approve the change was made, seconded and approved.

Mark Higgins described the 2004 meeting in Denver and encouraged members to submit papers to the various sessions. The negotiated hotel rate is good for both two days before and after the meeting (February 27 and 28). The hotel is located downtown with easy access to shopping and various sites. Beth announced that the 2005 Midyear Meeting will be held in Washington, D.C. at a Hyatt two blocks from the Capitol. Hughlene Burton, chair of the 2005 Annual Program committee, invited interested members to contact her about serving on the planning committee.

Shirley Dennis-Escoffier gave the nominations committee's report. Nominees are as follows:

|                        |                 |
|------------------------|-----------------|
| President-Elect        | Fran Ayres      |
| Vice-President-Elect   | Hughlene Burton |
| Secretary              | Susan Anderson  |
| Treasurer              | Gary McGill     |
| Trustees               | Ben Ayers       |
|                        | Tim Rupert      |
|                        | Ellen Glazerman |
| Publications Committee | Chris Bauman    |
|                        | Bob Yetman      |

Shirley asked for nominations from the floor. None were made. A motion was made to accept the slate of nominees. The motion was seconded and approved by the membership.

Beth Kern thanked the ATA for the opportunity to serve as President. She introduced Dave Stewart as our new President. Dave welcomed everyone to Honolulu. He thanked Beth for her work the past year and commended her for taking the office immediately after

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## Minutes of Annual ATA Business Meeting *(continued from page 4)*

organizing the 2002 Midyear Meeting. He thanked previous ATA presidents for helping him with planning for the upcoming year. Dave said that over 200 members are serving on committees and that almost everyone received their first choice in committee assignments. He asked members to bring forward ideas for ATA activities and pursuits. Dave stressed that the ATA's greatest strength is its collective service to communities, universities, and students. Dave compared the ATA to the Milky Way galaxy. He said that

each of us makes individual contributions that have more of an impact than we may know. Dave described comments by a speaker at the recent national Beta Alpha Psi meeting who encourage students to think more about "who they will become" rather than "what they will become." Dave said that much of "who we become" relates to service, such as ATA service.

The meeting was adjourned at approximately 11:30 am.

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## Minutes of the ATA Board of Trustees Meeting AUGUST 3, 2003 — HONOLULU, HAWAII

### Members present:

|                |                          |
|----------------|--------------------------|
| Susan Anderson | Ben Ayers                |
| Fran Ayres     | Hughlene Burton          |
| Ellen Cook     | Shirley Dennis-Escoffier |
| Merle Ericksen | Bob Halperin             |
| Mark Higgins   | Stu Karlinsky            |
| Beth Kern      | Scott McQuillan          |
| Tim Rupert     | Shelley Rhoades-Catanach |
| Dave Stewart   | John Robinson            |
| Cyndi Vines    | Dick Weber               |

Beth Kern welcomed the officers and trustees and called the meeting to order at 12:15 pm. She began with news of financial support from the Big 4 accounting firms. PWC continues to support the Outstanding Tax Dissertation award. Deloitte & Touche has made a three-year commitment to support the Teaching Innovation award. Ernst & Young has agreed to underwrite the costs for doctoral students to attend the ATA Midyear Meetings for 2003 and 2004. The students who attended the 2003 Midyear Meeting gave positive feedback about the experience. KPMG has committed to providing \$25,000 annually for three years to support the midyear meeting. In total, the Big 4 are giving the ATA financial support in excess of \$100,000.

Susan Anderson presented the minutes from the February 28 trustees meeting and the February 29 business meeting. The minutes were approved.

Ellen Cook gave the Treasurer's report. She noted that in 2003–2004, the ATA will receive two of KPMG's \$25,000 contributions. The 2003 Midyear Meeting ran an unexpected surplus due to lower food costs and the absence of sales tax.

Dave Stewart presented the 2003–2004 budget. It does not reflect the increase in KPMG's contribution from \$20,000 to \$25,000. Dave said that next year's financial situation is improved due to increases in dues and KPMG contributions. Although Dave anticipates higher fixed costs for JATA, he is forecasting a surplus for 2003–2004.

Mark Higgins distributed the program for the 2004 meeting. He said the hotel in Denver is great and that we will have a diverse program. Mark commended his committee for their excellent work. Due to the distance from the airport to the hotel, Mark recommends that

members take a shuttle. He will have the shuttle's schedule posted on the ATA website in early January. Mark thanked Amy Dunbar for all of her help in sharing information from prior meetings.

Amy Dunbar gave the final report for the 2003 Midyear Meeting. She suggested that the ATA continue to utilize hotel AV equipment at future meetings due to: (1) the assistance available from hotel personnel with setup and problems, and (2) the potential liability for damage to AV equipment provided by speakers and members. Amy said that the cost of renting AV equipment from hotels is decreasing and the benefits of these arrangements exceed their costs. Amy recommended that the ATA use a meeting planner for future midyear meetings in order to reduce the time commitment required by committee chairs. Dave Stewart has established a task force to examine the midyear meeting planning process, which Shirley Dennis-Escoffier will chair. Merle Ericksen reiterated the benefits of using a meeting planner and suggested an individual to help the ATA in this capacity. Some members of the board asked whether the ATA could use its own meeting planner or have to use the AAA's meeting services. Amy also said that the hotel staff advised her that we spent too much money for food at the reception since so much food was wasted. Shirley and Beth said that this did not occur at the meetings they planned. Amy recommended that records be maintained on food consumption. Shirley and Beth said they had those numbers from the meetings that they chaired. Stu Karlinsky said that the ATA should reimburse the VP-Elect for the cost of visiting potential hotels if their universities will not cover these costs. Shirley mentioned that the bylaws prohibit reimbursement of officer's expenses for scheduled meetings, but there is no violation in reimbursing travel costs for other purposes. The board agreed that the president has the authority to direct reimbursement of members' costs in traveling to investigate midyear-meeting locations. Shirley commended Amy for doing a wonderful job with the midyear meeting. Amy recommended increasing the late registration fee because of the difficulty that uncertainty of the number of attendees creates in planning.

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## Minutes of Annual ATA Board of Trustees Meeting *(continued from page 5)*

There were 24 late registrants in 2003. The board discussed the pros and cons of raising the late fee, perhaps to \$50. AAA charged a \$50 site registration plus \$50 late fee at the 2003 Annual Meeting. Amy suggested giving speakers gifts with the ATA logo. Stu suggested giving engraved laser pointers. Beth thanked Amy for her excellent work this year.

John Robinson reported on Gene Seago's behalf for *JLTR*. Gene says that activity is up and is receiving more papers on longstanding than current issues. Southwestern-Thompson is contributing \$3,000 to facilitate the journal's publication. Twelve papers have been submitted during the 7/1/2002 to 6/30/2003 period and four papers have been accepted.

John Robinson gave the *JATA* editor's report. John said that the number of submissions (25) is consistent with prior years. However, revisions are down; eight papers on which revisions were requested have not been received. *JATA* conference submissions have also declined. Turnaround time is averaging eight weeks. John described the wording in the letters sent to authors after reviews.

Cyndi Vines gave an update on the 2003 Annual Meeting. The ATA has six paper sessions scheduled. Twenty-five papers were submitted and 18 of these papers were accepted for sessions. Cyndi tried to use new faculty members as discussants for sessions. Shirley said that using new faculty was an excellent idea and should be continued. Cyndi commended her committee for their excellent reviews. The Hilton made more meetings rooms available to the AAA on Wednesday, which is why more of the ATA sessions are Wednesday.

Hughlene Burton will chair the 2005 Midyear Meeting in Washington, D.C. on March 4 and 5. These dates were selected to obtain the Hyatt Regency Capital Hill hotel, which is less than three blocks from Capitol Hill, two blocks to Union Station and walking distance to the Metro. The room rate is \$165 a night (single or double). The meeting will have a tax policy theme and Hughlene plans on obtaining speakers from the D.C. area. Hughlene recommended flying into National Airport due to its proximity.

Anne Christensen and Shirley Dennis-Escoffier presented the results of the midyear site selection survey. San Diego was the highest rated city, followed by San Francisco, Las Vegas, Orlando, New Orleans, and Washington, D.C. A motion was made for the survey results to be given to future vice presidents and that they be encouraged to select locations from the top part of the list. Anne seconded the motion and it unanimously passed. Beth commended Anne and Shirley for all of their work in developing the survey, putting it online, and analyzing the results.

Beth Kern reported that the midyear meeting site selection has recommended Las Vegas as a site for 2006. The board discussed the potential for a Las Vegas hotel to not honor its contracts. Mark Higgins expressed concerns that we might not get the full attention of the hotel meeting staff. Dick Weber said that

since these hotels have such large meeting staffs, they are well equipped to support multiple meetings. Shirley recommended that a hotel in Las Vegas should be selected further in advance than is typical. San Diego was the second choice, and Dick cautioned that obtaining a hotel in San Diego can be difficult. Dave asked Shirley, Stu, and Dick to investigate hotel possibilities.

Susan Anderson reported for the Archives Task Force. All newsletters from 1978 have been scanned and are ready to be placed on the web. She asked for the trustees' help in locating newsletters prior to 1977.

Susan Anderson described a new task force that will address *pro bono* tax work by ATA members. Chris Bauman will chair this task force, and current members are Marty Wartick, Ed Outslay, Anne Christiansen, and Susan Anderson. The task force's goal is to assess the extent of ATA member involvement in activities supporting low-income taxpayers, such as VITA and low-income taxpayer clinics, share best practices among members, and determine the benefits of this work.

Shirley Dennis Escoffier presented the nominations committee report. Nominees are as follows:

|                        |  |
|------------------------|--|
| President              | Fran Ayres                                     |
| Vice President         | Hughlene Burton                                |
| Secretary              | Susan Anderson<br>(for a second one-year term) |
| Treasurer              | Gary McGill                                    |
| Trustees               | Ben Ayres<br>Tim Rupert<br>Ellen Glazerman     |
| Publications Committee | Chris Bauman<br>Bob Yetman                     |

Shelley Rhoades-Catanach reported on behalf of the Publications Committee, which has been exploring the feasibility of establishing an education research journal. The committee recommends against starting such a journal at this time due to: (1) the number of outlets for education research, and (2) concerns that there are an insufficient number of good papers to support this journal. Hughlene Burton made a recommendation, seconded by Stu Karlinsky, that the ATA not pursue an education journal at this time. The trustees approved this recommendation. Mark brought up the idea of maintaining the task force report for historical reference and suggested that it be included in the publications committee handbook. There was also discussion as to the need to have a session of education research papers at the midyear meeting.

Beth Kern described a report prepared by the AAA Cost Accounting Task Force. The AAA commissioned a study to examine the services that it provides to the sections and regions. The study concluded that the ATA uses approximately \$100,000 of services in excess of ATA contributions. The board has serious concerns regarding the assumptions underlying the cost allocations. Stu stated the need for an ATA response, an opinion shared by the rest of the board members. Bob moved to encourage Dave to appoint a committee to consult

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**Minutes of Annual ATA Board of Trustees Meeting** *(continued from page 6)*

with other AAA sections and possibly prepare a response to this report, perhaps jointly with other sections. Merle seconded. The motion approved unanimously. Amy suggested that we consider ways to increase our membership if AAA makes an assessment from the ATA.

The trustees then discussed the Corporate Disclosure Statement, prepared by a task force headed by Jeff Gramlich. The document is prepared in response to a request from the Senate Finance Committee for ATA comments. Comments have also been received from the Tax Policy Oversight committee. The

statement's recommendations generated a great deal of discussion. The Board concluded that since the first two recommendations were directed at the IRS, FASB, and SEC, they were not pertinent for inclusion in a report to the Senate Finance Committee. The Board also agreed that the third recommendation should be further developed. A motion was made, seconded, and approved that the report be returned to the Tax Policy Oversight committee for revision.

The next trustees meeting will be February 27, 2004 from 8am-12 pm. The meeting adjourned at 4:15 pm.

# ATA COMMITTEE CONTRIBUTIONS

## Teaching Resources Committee

### WHEN LECTURING STILL WORKS—REFERENCES AND RESOURCES

Caroline K. Craig and Kevin M. Misiewicz, Teaching Resources Committee

In recent years, many accounting academics, including many tax faculty, have moved away from traditional lecturing and instructor-centered pedagogies toward cooperative learning, active learning, or some form of team-based, student-centered instruction. While student-centered pedagogies can be useful in some teaching contexts, lecturing can still occupy a prominent place in the hierarchy of effective instructional methods. This column provides a summary of useful references and resources for tax faculty who: (1) believe that lecturing still works as an important and effective instructional delivery mode for tax courses, and (2) wish to hone or otherwise improve their lecturing skills. The references discussed herein are representative of the literature addressing what is often termed “conventional” instructional methods. The first two references are books that can serve as comprehensive resources on lecturing. The remaining references are articles that focus on particular aspects of lecturing, including lecturing in a large classroom setting. Readers interested in obtaining additional information are encouraged to consult the bibliographies of the books and articles discussed or cited herein, and the Educational Resources Information Center (ERIC) database, which is available through most university libraries. University teaching centers can also serve as valuable resources for faculty since they focus on instructional improvement and teaching advancement.

Bligh, Donald A. 2000. *What's the Use of Lectures?* San Francisco, CA: Jossey-Bass Publishers.

This book, first published nearly thirty years ago, is a comprehensive guide for what works and what does not work in a lecture setting. The book is *not*

intended to be a “book of rules for lecturers,” but rather an information resource to help instructors make their own decisions about how to structure and improve their lecturing. The book consists of five parts. Part One provides evidence, supported by extensive research and citations, of what lecturing can achieve. Part Two discusses factors affecting information acquisition, including memory, attention, and motivation. Part Three addresses different techniques that may be used to promote student learning through lecturing. Common and effective lecturing forms, including hierarchic lecturing (via classification and/or problem-centered approaches), chaining (sequencing of events), and more complex lecture types (comparison, thesis, logical dichotomy) are discussed. Chapters addressing what constitutes a lecture “style,” how to obtain feedback, and how to overcome common difficulties are also included in Part Three. Part Four offers suggestions about alternatives (or supplements) when lecturing alone is considered inadequate for the setting in question. Finally, Part Five offers helpful hints for lecture preparation.

Brown, Sally and Phil Race. 2002. *Lecturing—A Practical Guide*. London, U.K.: Kogan Page.

This book is one of three books on lecturing-related topics authored by Brown and Race, and published by Kogan Page. (The other two books are *The Lecturer's Toolkit* and *2000 Tips for Lecturers*.) This book, like the other two, is written from a very practical perspective, and offers the authors' views on lecturing gained from their combined 60-plus years of experience in higher education. The book is structured using fictional profiles for instructors who take very different approaches to

their lecturing activities (e.g., the complacent lecturer, the technology-focused lecturer, etc.). The book also includes an interesting chapter on the histories, philosophies, and architecture of lecturing. In addition, the book offers advice on several topics that are not commonly covered elsewhere, including how to structure lecturing activities to be inclusive of students with diverse backgrounds and needs, how to “link” lectures with other curriculum elements, and how to make the most of electronic, student-feedback systems in lecture rooms.

Stunkel, Kenneth R. 1998. “The Lecture: a Powerful Tool for Intellectual Liberation,” *Chronicle of Higher Education* (June 26): A52.

The value of a good lecturer is to know where to begin, what to include and leave out, and by what stages to lead a student to mastery of a subject. No interactive model can substitute for a well-organized lecture that structures a mass of information, illuminates basic concepts, suggests applications, reviews relevant literature and major interpretations, and displays what it means for someone to care about learning, inquiry, and teaching. Students can gain experience working with one another by discussing critical questions after the professor has laid the foundation for the discussion.

deWinstanley, Patricia Ann and Robert A. Bjork. 2002. “Successful Lecturing: Presenting Information in Ways That Engage Effective Processing,” *New Directions for Teaching and Learning* 89 (Spring): 19–31.

Triggering learning in students requires triggering the types of processes that facilitate the encoding of the to-be-learned information and subsequent access to that information. Because divided

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## Teaching Resources Committee Contributions *(continued from page 8)*

attention is particularly detrimental to encoding, and lectures represent the first, and perhaps best opportunity, to encode information, focusing students' attention during a lecture on the information to be encoded is a prerequisite for the other components of effective processing. Teachers promote long-term retention of information presented in lectures by using strategies that require a high-level of student engagement. A spaced repetition has the potential to enhance attention, produce variable encoding, and induce retrieval practice. At a minimum, the most difficult and central topics should be covered more than once in a spaced manner and from more than a single approach. The combination of spacing and variation in the presentation of key concepts should enhance not only students' long-term retention of those concepts, but also their ability to see the broader relevance of the concepts. Structure within a lecture facilitates learning. Ways to add structure include providing basic outlines or knowledge/concept maps. Presenting vivid examples and visual images, encouraging the use of mental imagery, engaging other mnemonic devices (e.g., jokes integrated in the subject

matter), and strategically interjecting enthusiasm result in better learning.

Kryder, LeeAnne G. 2002. "Large Lecture Format: Some Lessons Learned," *Business Communications Quarterly* (March): 88–93.

The author describes the process by which she prepared for and implemented teaching an upper-division business communication course to 100 students. The larger-size class allowed one teacher to assure both quality of instruction and consistency in curriculum. Approximately 90–95 percent of the students liked the large lecture format. The quality of the students' communication assignments was as good as that produced by students who took the course in the traditional 25-student format.

Bartlett, Thomas. 2003. "Big, but Not Bad," *Chronicle of Higher Education* (May 9): A12.

Lecturing to large classes can work well. Effectiveness is improved by teacher preparation (each class is like a "one-act play"), connecting with students individually even if it is just making eye contact when they come into the classroom, replying to email quickly, and delegating to teaching assistants as much of the administrative duties as possible.

Don't regurgitate the textbook. Instead, wrap information in stories, anecdotes, and a variety of applications. "If you can't make them interested in your material, either you shouldn't be there or they shouldn't be there."

### OTHER REFERENCES

McKeachie, Wilbert J. 2002. *McKeachie's Teaching Tips: Strategies, Research and Theory for College and University Teachers*. Eleventh edition. Boston, MA: Houghton Mifflin. Chapter 5: "How to Make Lectures More Effective."

Prichard, Keith W. and R. McLaran Sawyer, editors. 1994. *Handbook of College Teaching: Theory and Applications*, Westport, CT: Greenwood Press. Chapter 5: "The Lecture Method."

Nilson, Linda B. 1998. *Teaching at Its Best: A Research-Based Resource for College Instructors*. Bolton, MA: Anker Publishing Company. Chapter 14: "Making the Lecture a Learning Experience."

Gibbs, Graham and Alan Jenkins, editors. 1992. *Teaching Large Classes in Higher Education*, London, U.K.: Kogan Page Limited. Chapter 4: "Active Learning in Structured Lectures."

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## ATA COMMITTEE CONTRIBUTIONS

### Research Resources and Methodologies Committee

#### ECONOMISTS' PERSPECTIVES ON TAXATION IN 2003

Lillian Mills, *Research Resources and Methodologies Committee*

This column is another in the series sponsored by the Research Resources and Methods Committee that summarizes publications found outside tax and accounting journals that are of possible interest to ATA members. In this issue, we review several tax research articles published in economics journals in the past year. I especially thank Shane Heitzman, University of Arizona doctoral student, for his review of the *JPE* articles below.

Clausing, K. 2003. "Tax-motivated Transfer Pricing and Email Intrafirm Trade Prices." *Journal of Public Economics* 87: 2207–2223.

This study uses data on import and export prices to investigate the effect of foreign tax rates on intrafirm trade prices. Unlike prior transfer pricing studies that rely on statistical relations between country tax rates and profitability, this study takes a direct approach to the issue by utilizing product-

level price data collected by the Bureau of Labor and Statistics. Monthly product prices on imported and exported products, the country of destination or origin, and an indicator for intrafirm trade prices are key variables used in the analysis.

The underlying theory is that intrafirm trade prices for exports (imports) will be lower (higher) when exporting to (importing from)

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## Teaching Resources Committee Contributions *(continued from page 10)*

a low tax country. The results offer strong empirical support for this prediction. A 1 percent lower statutory tax rate for the foreign affiliate is associated with an intrafirm export price that is 1.8 percent lower, and an intrafirm import price 2.0 percent higher relative to non-intrafirm trade prices. Results using effective tax rates are similar.

The strong results are consistent with powerful tax incentives in related party transactions, where arm's-length frictions do not exist.

Barber, B. M., and T. Odean. 2003. "Are Individual Investors Tax Savvy? Evidence from Retail and Discount Brokerage Accounts." *Journal of Public Economics* 88: 419–442.

Using individual-account-level data provided by two brokerage firms, Barber and Odean address the tax awareness of individual investors by examining asset location and trading activity differences across taxable and tax deferred brokerage accounts. Securities whose returns are taxed at relatively high rates, such as taxable bonds, should be located in tax-deferred accounts, whereas securities whose returns are taxed relatively lightly should be located in taxable accounts. When trading, investors should recognize a higher proportion of losses relative to gains in the taxable account to maximize after-tax wealth.

The data provide evidence that asset allocation decisions are partially consistent with tax minimization. Considering the location decision, almost all municipal bonds are located in taxable accounts. A large portion of taxable bonds and equity mutual funds are located in tax-deferred accounts, however, investors do not appear to use up the capacity for holding taxable bonds in tax deferred accounts. From a trading

perspective, however, investors recognize gains in their taxable account at a faster rate than losses, a finding inconsistent with tax minimization. Only at the end of the year does this reverse, consistent with tax-loss selling by individuals.

This paper should inform researchers interested in tax clientele, because the research design recognizes that a single taxpayer may have both taxable and non-taxable attributes because he or she owns both taxable investments and retirement accounts.

Marceau, N., and M. Smart. 2003. "Corporate Lobbying and Commitment Failure in Capital Taxation." *The American Economic Review* March: 241–251.

Marceau and Smart challenge the standard view that because governments cannot commit not to tax-fixed capital, taxpayers will not invest in capital, preferring flexible investments. The authors argue that lobbying can mitigate—and even reverse—the capital levy problem. For plausible parameters in their model, firms with more fixed investment (higher adjustment costs) will lobby so much more that they actually face lower tax rates in equilibrium than more flexible firms. They are unable to conclude that lobbying is desirable, because the costs deter additional investment in capital.

The authors note that the model's prediction that industries with high fixed costs can retain low effective tax rates is consistent with tax preferences in high capital industries like oil and gas, mining, and real estate. Empirical studies of effective tax rates may wish to investigate whether industry-level data on lobbying expenditures would enrich predictions.

Shapiro, M., and J. Slemrod. 2003. "Consumer Response to Tax Rebates." *The American Economic Review* March: 381–396.

Shapiro and Slemrod use survey techniques to study how taxpayers spent the \$300 tax rebate in 2001. They found that 21 percent said they would spend more, 32 percent said they would save more, and 46 percent said they would pay off debt.

Surprisingly, lower income households were more likely to save rather than spend the rebate. The low spending rate implies that the rebate did not provide the short-run stimulus intended. The authors believe that the low spending is not an artifact of survey method, because a similar 1992 survey indicates over 40 percent of households planned to spend the extra current income from decreased withholding. They speculate that consumers might have been back in an asset-rebuilding mode after the negative wealth shocks from 2000 and 1999. Thus, they caution that fiscal policy in general is unreliable, because the government cannot always assume that consumers will spend tax rebates.

Researchers interested in the Earned Income Tax Credit will appreciate "The Negative Income Tax and the Evolution of U.S. Welfare Policy," R. Moffitt, *Journal of Economic Perspectives*, Summer 2003: 119–140. He reviews Milton Friedman's 1962 proposal to structure all welfare programs as negative income taxes. He argues that the labor supply effects of a negative income tax are ambiguous. Moffitt discusses the arguments for and against work requirements. He observes that the EITC expands the cash welfare system far up the income distribution. Finally, Moffitt notes that U.S. policy makers in the 1990s changed from assuming that welfare policies had no behavioral effects to assuming the policies had large effects of labor supply and other matters of interest to voters.

# CALLS FOR PAPERS AND SUBMISSIONS

## 2005 JATA CONFERENCE

The eleventh conference of *The Journal of the American Taxation Association* will be held in conjunction with the ATA's Midyear Meeting in February 2005. Original papers addressing interesting and relevant tax issues will be considered for the conference. Submissions to the conference will be treated as submissions to *The Journal of the American Taxation Association*, and should not be under review with any other journal. All research methodologies (including, but not limited to, archival/empirical, analytical, behavioral, experimental, and field studies) will be considered. After revision, papers selected for the conference are published in a supplemental issue of *The Journal of the American Taxation Association*. Conference papers will be made available to conference participants in advance of the midyear meeting through the ATA website. Papers not accepted for the conference may be accepted, subject to revision, for later publication or, at the option of the authors, may be revised for submission to a regular issue of the journal.

Manuscripts should be submitted via electronic files formatted conforming to JATA's published preparation and style guidelines. The submission fee of \$75 in U.S. funds may be paid by credit card or check. To charge the fee, access the JATA site at the AAA website:

<https://aaahq.org/AAAFForms/journals/>

Alternatively, the submission fee may be paid by check, made payable to the American Accounting Association and mailed to Professor John Robinson at the address below. To preserve anonymity, the cover page and the manuscript document should be submitted in separate MS Word® or Adobe® PDF files. If the research utilizes instruments (experimental material, questionnaires, cases, etc.) this material should also be submitted in a separate file. With the exception of the cover page, the identity of the author(s) should be deleted from the files. Files should be transmitted as email attachments to Professor John Robinson at:

[Jata@Mcombs.utexas.edu](mailto:Jata@Mcombs.utexas.edu)

Please indicate in the email that the paper is submitted to the Conference. To be considered, papers must be received no later than **October 1, 2004**. Contact Professor Robinson (Phone: 512.471.5315) if file compatibility or electronic submission presents a problem.

John Robinson, Editor

*The Journal of the American Taxation Association*

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## **JOURNAL OF FORENSIC ACCOUNTING** **Auditing, Fraud and Taxation**

**D. Larry Crumbley, Editor-in-Chief**

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# CALLS FOR PAPERS AND SUBMISSIONS

## ADVANCES IN TAXATION

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## ATA 2004–2005 COMMITTEE APPOINTMENTS

Once again it is time to start organizing the committees for next year. Your participation is important because these committees are the forums where the ATA's work gets done. If you have not previously served on an ATA committee, now is the time to get involved.

As in previous years, you can indicate which committees you would like to serve on. Please register your preferences on the ATA website using the web form (follow the link from the table of contents— <http://www.atasection.org/index2.html>). Take a few minutes to indicate your interests and preferences in serving on the ATA committees listed below.

Please respond no later than March 15, 2004. If you have any questions, please contact Fran Ayres at (405) 325-5768 or [fayres@ou.edu](mailto:fayres@ou.edu).

### Committee

- |   |   |
|---|---|
| A. Accreditation and Curriculum Issues                      | N. Nominations                          |
| B. Annual Meeting Program                                   | O. Regional Programs                    |
| C. ATA/AA Teaching Innovations Awards                       | P. Research Resources and Methodologies |
| D. ATA/PWC Doctoral Dissertation Award                      | Q. Tax Policy Oversight                 |
| E. ATA Tax Manuscript Award                                 | 1. Accounting Methods and Periods       |
| F. Concerns of New Faculty                                  | 2. Complexity Reduction                 |
| G. Education Research                                       | 3. Corporate Tax Policy                 |
| H. Faculty Internships, Sabbaticals, and External Relations | 4. Family Tax Policy                    |
| I. Graduate Tax Education                                   | 5. Flow-Through Entities Policy         |
| J. JATA Conference  | 6. International Tax Policy             |
| K. Legal Research   | 7. Multi-State Tax Policy               |
| L. Membership   | R. Teaching Resources                   |
| M. Midyear Meeting Program                                  | S. Technology Resources                 |