

AMERICAN TAXATION ASSOCIATION

Volume 16, Summer 1987

Paul J. Streer, Editor
J. M. Tull School of Accounting
University of Georgia

President's Letter

by Sally M. Jones

I want to begin my final letter to the membership by thanking each one of you who participated in ATA activities during the past year. The various 1986-1987 committees have diligently carried out their respective charges, and as a result, many interesting and worthwhile projects have been completed. I deeply appreciate the efforts of each committee chairman and member, and hope that you all will give Mike Moore the same high level of support you have given me. I also encourage new members or members who have not taken an active role in committee work in the past to become involved during the next year. There is no better way to meet and to interact with academic and professional colleagues who share similar interests.



In April, President-elect Mike Moore and I attended the mid-year AAA Council Meeting and AAA Sections Meeting in San Francisco. Because its membership exceeds 1,000, the ATA continues to be entitled to two representatives at these important meetings. Such representation gives our organization a good deal of influence in AAA affairs, and I am pleased to report that the ATA is clearly a respected leader in sectional activities.

Betty Jackson and her Program Committee are finalizing plans for the national convention in Cincinnati. For those of you attending the convention, mark your calendar for the annual ATA business meeting and luncheon—as well as the various technical sessions. And remember, AAA President Ray Sommerfeld will be throwing out the first ball at a Cincinnati Reds baseball game on Tuesday night, August 18th. This will undoubtedly be one of the toughest challenges of Ray's long and illus-

trious career, so let's give him plenty of moral support by attending the game!

John Everett and his committee have completed the post 1986 Reform Act edition of *Tax Planning for Educators*, and it should be available at the Cincinnati convention at a very reasonable (although as yet undetermined) price. *Tax Planning for Educators* will also be available by phone or mail order from AAA headquarters in Sarasota. The ATA needs to promote sales of this book to the greatest extent possible, and I am asking all members to join in a "word of mouth" advertising campaign directed at your colleagues in all fields of education.

Again, thanks for a wonderful year as your President, and I'll see you in Cincinnati.

1987-88 ATA Committee Participation

Anyone interested in serving on an ATA committee during 1987-88 should communicate this interest to Professor Michael L. Moore, School of Accounting, University of Southern California, Los Angeles, California 90089-1421.

The following committees will be established for the 1987-88 year: Annual Program Committee; Doctoral Dissertation Awards Committee; Nominations Committee; Committee on Regional Programs and Membership; Tax Manuscript Award Committee; Computer Usage and Applications Committee; JATA Advisory Committee; Committee to Analyze the Content of Tax Questions on the CPA Examination; Tax Policy Committee—Subchapter C; Tax Policy Committee—Subchapter K.

Additional committees may be established based upon specific needs. If you have any committee suggestions, please let Professor Moore know. Please include a vitae and indicate on which committee you would prefer to serve. All information should be submitted by July 15, 1987.

1987 ATA Section Program Announced

The American Taxation Association Program Committee has put together a program we think you will find very interesting and informative. Our luncheon speaker is *Wall Street Journal* reporter Alan Murray who, with Jeffrey Birnbaum, has written a book which chronicles and analyzes the unusual behind-the-scenes events leading up to the Tax Reform Act of 1986. He will bring "Show-down at Gucci Gulch" to life for us. In addition, the research papers to be presented are excellent and represent a broad spectrum of the research going on in tax today. We were delighted by the quality and diversity of papers submitted, but regret that we had to turn down so many good papers for lack of room on the program. The doctoral student research session represents several promising areas of research. We are also pleased to have outstanding panelists for our special sessions.

The first day will be a heavy tax day with our business meeting first thing in the morning, followed by a tax policy session, the luncheon and an afternoon research paper session. In the tax policy session, the panelists will examine the Tax Reform Act of 1986 from several perspectives. The first panelist is George N. Carlson who has been Director, Economics of Taxation in the office of Federal Tax Services for Arthur Andersen & Co. since 1986. Dr. Carlson served as Director of the Office of Tax Analysis in the U.S. Treasury Department from 1984 to 1986, where he had primary responsibility for developing and writing major portions of the Reagan Administration's tax reform proposals. He was also Deputy Director for International Taxation from 1981-1984. Dr. Carlson will address reactions to the Tax Reform Act and future directions for tax reform, particularly the potential for a shift to alternative tax systems.

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1987 ATA Section Program Announced

Robert D. Ebel, Urban Institute, will bring the perspective of state and local governments to the panel. He has done extensive work with the states of Minnesota and New Jersey and will address the effect of the Tax Reform Act on state and local government.

Drs. Kent W. Smith and Karyl A. Kinsey are involved in a major tax compliance research effort for the American Bar Foundation. They were hired as a result of the ABA's commitment to investigate the tax compliance problem following its Section of Taxation Invitational Conference on Income Tax Compliance in 1983. They will address the effect they expect the Tax Reform Act to have on compliance as well as the potential effects of alternative taxing systems on compliance.

On Tuesday, we cleared the schedule of other tax sessions to allow ATA members to tour the Cincinnati Service Center from 2:00-4:00. This tour is part of the ATA Computer Conference to be held on Sunday, but anyone may attend. There will be a charge for transportation and you must register. There is a place to do so on the convention registration form.

Wednesday is another busy day with the second research paper session, the doctoral research session and a session on computer assisted tax research (CATR). The CATR session is designed to allow the players in this increasingly competitive arena to provide us information on their respective systems and prices. Faculty members with extensive classroom experience with CATR will give their perspectives. It promises to be a very informative session designed to facilitate your use of CATR in the classroom and your research on the systems available.

I hope you are looking forward to a great convention as I am. See you in Cincinnati!

Betty Jackson
Chairman, Program Committee

American Taxation Association Program American Accounting Association Annual Convention

Cincinnati, Ohio
August, 1987

Monday, August 17

- 8:15-10:15 **American Taxation Association Business Meeting**
- 10:30-11:45 **Policy and Compliance Issues under the Tax Reform Act of 1986 and Alternative Tax Systems**
Moderator: Peggy S. Hite, University of Kansas
Panelists: George N. Carlson, Arthur Andersen & Co., Washington, D.C.; Kent W. Smith, American Bar Foundation, Chicago, Ill.; Karyl A. Kinsey, American Bar Foundation, Chicago, Ill.; Robert D. Ebel, Urban Institute
- 12:00-1:15 **American Taxation Association Luncheon**
Speaker: Alan Murray, Wall Street Journal Staff Reporter
Showdown at Gucci Gulch: Lawmakers, Lobbyists and the Unlikely Triumph of Tax Reform
- 3:45-5:00 **Current Research in Taxation**
Moderator: Julie Collins, University of Oklahoma
Visiting University of North Carolina, 1986-1987
Participation in Individual Retirement Accounts: An Empirical Investigation
Cherie J. O'Neil, and G. Rodney Thompson, Virginia Polytechnic Institute & State University
Contrasting Three Procedures for Modeling Tax Court Decisions: Multiple Discriminant Analysis, Recursive Partitioning, and Integer Goal Programming
Ronald M. Copeland, Northeastern University
Taxation and the Demand for Risky Assets: Some Experimental Market Evidence
Charles W. Swenson, University of Southern California

Tuesday, August 18

- 2:00-4:00 **Tour of the IRS Service Center.** This is part of the Sunday ATA Computer Conference, but others are welcome to attend. Participants must preregister.

Wednesday, August 19

- 8:30-10:00 **Current Research in Taxation**
Moderator: Richard Helleloid, University of Michigan
Tax Professionals' Evaluation of Substantive Tax Authority
Chee W. Chow, Michael D. Shields, and Gerald E. Whittenburg, San Diego State University
Taxpayers' Criteria in Making Tax Policy Judgments
Valerie C. Milliron, The Pennsylvania State University
Stewart S. Karlinsky and Paul R. Watkins, University of Southern California
The Influence of PAC Contributions Upon Industry Tax Burdens: An Empirical Analysis
Arthur D. Cassill, North Texas State University
- 10:15-11:45 **Computer Assisted Tax Research Options for Tax Education—Views of Vendors and Educators**
Moderator: Kevin Misiewicz, Notre Dame
Panelists: Kevin E. Murphy, Oklahoma State University
Anthony J. Citera, Commerce Clearing House, Inc.
Jeffrey B. William, Mead Data Central
Clint McDonnell, Prentice-Hall Information Network
- 3:15-4:45 **Current Doctoral Research in Taxation**
Moderator: Tom Dickens, Clemson University
The Distributional and Labor Supply Effects of Alternative Individual Income Tax Proposals
Suzanne Luttmann, University of Colorado
The Relationship Between the Reference Outcome and Preferences for Risky Tax Return Positions
Michael Schadewald, University of Minnesota
The Lock-In Effect of Capital Gains Taxation and Risky New Investment: An Empirical Test
Jan Meade, Arizona State University
Tax Treatment Uncertainty and the IRS Individual Rulings Program
Eun Sang Lee, Stanford University

Faculty Notes

The following faculty have accepted new academic positions for the 1987-88 year:

Name	Old School	New School
John Beehler	Oklahoma	Univ. of Texas - Arlington
Rodger A. Bolling	Memphis State Univ.	Northern Illinois Univ.
Steve Crowell	Univ. of Central Florida	Auburn University
P. Michael Davis	Univ. of Kentucky	Univ. of Baltimore
Dennis J. Gaffney	Memphis State Univ.	Grand Valley State College
Kenneth H. Heller	Univ. of Georgia	George Mason University
Herbert G. Hunt III	Penn State University	Univ. of Vermont
Robert H. Michaelson	Univ. of Nebraska	North Texas State Univ.
Donald H. Skadden	Univ. of Michigan	AICPA Federal Tax Div., Vice-President
Jerrold J. Stern	Indiana Univ. - Bloomington	Indiana Univ. - Indianapolis
Charles W. Swenson	Univ. of Arizona	Univ. of Southern Calif.
Debra M. White	North Texas State Univ.	Univ. of Texas - Arlington

Julie H. Collins and William A. Collins from the University of Oklahoma will visit the University of North Carolina at Chapel Hill for the 1987-88 academic year.

Call for Committee Reports

The ATA trustees are in the process of formalizing a plan to establish and maintain an index and permanent record of all written ATA committee reports. WE NEED YOUR HELP in identifying and locating copies of committee reports from all past years. If you served on a committee at any time during the past thirteen years and have saved a copy of any written report, please send a copy to Sally M. Jones, Department of Accounting, CBA 4M.202, University of Texas at Austin, Austin, TX 78712-1172. Thanks!

Ernst & Whinney Symposium on Graduate Tax Program Administration

On June 18, 1987, Ernst & Whinney will sponsor a Symposium on Graduate Tax Program Administration in Washington, D.C. The purpose of the symposium is to promote the interests of graduate tax education by providing a forum where invited representatives from the leading graduate tax programs across the country can discuss matters of common interest and concern with their colleagues and with national, regional and local tax executives.

The one day program will consist of four panel discussions. The first panel will address issues concerning curriculum design and the content of both mandatory and elective tax courses, while the second panel will focus on the relative merits of various teaching methodologies currently in use. The two afternoon panels will discuss the types of career counseling appropriate to various types of graduate programs and the current levels of supply and demand for qualified tax students. The panels will consist of professors from different types of graduate tax programs and representatives of Ernst and Whinney.

Doctoral Student Paper Award

An award will be given at the meeting of the Western AAA for the best paper presented by an active doctoral candidate at a university in the Western Region. Jointly authored papers are eligible if all authors were active doctoral candidates in the Western Region at the time the paper was submitted. Only papers accepted for the program will be considered for this award. The author(s) of the best doctoral paper will receive \$750. Regular submission guidelines should be followed.

ATA Computer Conference

Cincinnati, Ohio

August 16, 1987

- TOUR OF IRS SERVICE CENTER IN COVINGTON, KENTUCKY
An Electronic Filing Service Center
- COMPUTER USAGE IN CPA FIRMS
Jay Levine
Price Waterhouse
Scott Fay
Apfel, Levy, Zlotnick & Co.
- USE OF COMPUTERS IN GRADUATE TAX EDUCATION
Use of Commercial Tax Preparation
Professor Avi Rushinek
University of Miami
Planning Software versus Tax Textbook Software in the Classroom
Professor Avi Rushinek
University of Miami
How to Use Computers in Taxation
Professor Kevin Misiewicz
University of Notre Dame
Tax Data Bases and Teleconferencing
Professor Don Marshall
Memphis State University
- OFFICE AUTOMATION AND THE FUTURE OF COMPUTERS
David Landry
Coopers & Lybrand

Cost: \$80.00

For more information, contact:
Barry C. Broden
University of Hartford
Tax Institute
(203) 243-4271

Committee on Computer Usage and Applications

The last few years have witnessed a significant increase in the development of cases and other computerized instructional materials by tax faculty. The CUA Committee has designed an information system which enables the advancements being made in this important instructional area to be identified and shared with our colleagues in a timely fashion. A one-page standard form is available for reporting the required information. It will be included in the next edition of the ATA Newsletter. The Committee encourages the submission of any recent developments. For more information please contact Professor Bud Lacy, School of Accounting, Oklahoma State University, Stillwater, OK 74078, (405) 624-5124.

Professor Cherie J. O'Neil has developed a LOTUS template which will compute the future value of a distribution from a qualified retirement plan under the following options: 10-year averaging, 5-year averaging, an annuity and an IRA rollover. The program will also compute any penalties on excess distributions. The program requires LOTUS version 1.2 or later and will be provided at no charge. For more information please contact Professor O'Neil, Department of Accounting, College of Business, Virginia Poly. Institute and State University, Blacksburg, VA 24061, (703) 961-6096.

Call for Papers and Participation

We invite you to submit a paper for presentation, to be a reviewer of manuscripts, discussant, or moderator for a session of the 1988 meeting of the Western American Accounting Association, in Monterey, California on April 29th and 30th, 1988. Participation is not restricted to the membership of the WAAA, and submission by practicing accountants and graduate students is encouraged. Suggestions for workshops and panels are also invited.

Topics

Papers in all areas of accounting are welcomed. These areas include, but are not limited to, financial accounting, accounting theory, managerial accounting, computers in accounting, auditing, taxation, public interest accounting, international accounting, accounting systems, behavioral issues, history of accounting, and management advisory services.

Due Dates

Completed Papers, Suggestions for Workshops, and Panels - Nov. 15, 1987

Notification of Acceptance of Completed Papers - Feb. 1, 1988

Resubmission for Inclusion in Proceedings - Feb. 29, 1988

Guidelines for Papers, Abstracts, Research in Progress

Papers or abstracts published elsewhere will not be considered at the Monterey meeting. Submit an original and three (3) copies.

Cover page should include:

- * Author(s) names
- * Affiliation of Author(s)
- * Mailing Address and Telephone Number
- * Area of interest for the paper so the most appropriate audience/reviewer group (e.g., auditing, tax, financial accounting) can be selected for your paper.

Papers should be double-spaced and follow **Accounting Review** style format.

Papers or abstracts accepted for publication may, at author's option, be published in the Proceedings. Papers published in these Proceedings cannot be published in **The Accounting Review**.

Your transmittal letter should contain the same information as that on the cover page.

Send Papers, Workshop and Panel Ideas to:

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