



# American Taxation Association

Volume 36, Summer 1995

Anthony P. Curatola, Editor

## PRESIDENT'S LETTER

I want to begin my last letter as ATA President by repeating what I said in my first. It has been a privilege to serve in this capacity. I know many more ATA members than I did a year ago, and I have an even greater appreciation of what a valuable organization the ATA is. I look forward to many more years of active involvement.

The Mid-Year Meeting in San Antonio was a great success. Attendance was at an all time high (slightly over 200), and everyone seemed to find sessions of interest to them. Barry Arlinghaus and his committee are to be congratulated for a very well-organized meeting with many high-quality sessions. I am particularly proud of the success of the first JATA Conference. The four papers and the discussant's comments were outstanding, as was the quality of their presentations. Sandy Kramer and her committee have set a very high standard for future conferences. As it has for several years, KPMG helped fund the Mid-Year Meeting and is committed to doing so through 1997.

The 1996 meeting is scheduled to be in New Orleans on February 23 and 24. The hotel is the Royal Sonesta, a first class hotel on Bourbon Street in the French Quarter. The Mid-Year Meeting Program Committee will provide more details, including program plans, at the AAA meeting in Orlando. If you have suggestions for future sites, please send them to me before the Orlando meeting. At that time the Board of Trustees will be selecting the 1997 and possibly the 1998 sites.

The Board of Trustees had a very productive meeting Friday morning of the meeting. This Newsletter contains several proposed By-Laws changes that resulted from our deliberations. Dick Weber, past Secretary-Treasurer, recommended that the Board



**Silvia A. Madeo, ATA President**

consider creating separate secretary and treasurer positions. Doug Shackelford, chairman of the Concerns of New Tax Faculty Committee made a number of recommendations related to ways the ATA can become even more important to our newest members. One of these suggestions was to ensure through a change in the By-Laws that an untenured assistant professor is a member of each year's nominating committee. The Committee believed such a change would help assure that the ATA is always aware of the needs and interests of assistant professors. Barry Arlinghaus and several former ATA Vice Presidents supported the idea of a Vice President Elect. It is clear that under our current arrangement, the Vice President needs to begin planning the Mid-Year Meeting well before being elected in August. For example, Shirley Dennis-Escoffier (just nominated for 1995-96 Vice President) already is planning next year's meeting even though the membership will not have an opportunity to elect her until August. A Vice President Elect would be able to begin planning the meeting more than a year in advance by being involved in hotel se-

lection in the fall. The planning committee could then begin working on the program immediately after the current year's meeting. The Board recommends all of these changes, which will be presented for your approval at the annual meeting in Orlando.

Debra Hill and I attended the AAA Council meeting on April 1 in New Orleans. One of the most relevant topics to the ATA was a discussion of whether various mid-year meetings have undermined membership interest in the AAA annual meeting. Members of several sections noted that they find their section mid-year meetings to be very different from the annual meeting, with more opportunity for "networking" and fewer distractions. There is some concern that the section business meetings are part of the distractions at the annual meetings. One suggestion was to move business meetings to the day before the official beginning of the convention. Another was to move all or part of the annual business meeting to our mid-year meeting. I have asked the AAA to provide me with information about the number of ATA members who attend the annual meeting in Orlando (for comparison with the number who attend the mid-year meeting). I have thought of some problems with moving the business meeting but wonder if there might also be some benefits. I am very interested in your response to this idea.

Another subject that the Council meeting brings to mind is the current ATA membership. Our numbers have been hovering at or slightly below 1,000. As long as we are above 1,000 members, we are entitled to two members on the AAA Council. This has the advantage of allowing our President

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## 11TH ANNUAL HIGH TECHNOLOGY TAX INSTITUTE CONFERENCE

The 11th Annual High Technology Tax Institute, co-sponsored by San Jose State University College of Business and Tax Executives Institute will be held at the Sunnyvale Hilton, California on November 13 and 14, 1995. It is recommended for 16 hours of CPE or CLE. The cost of the two day program will be \$425, including lunches and all tax materials. Those interested in the Institute may contact Dr. Stewart Karlinsky at 408-924-3482.

The 10th Annual Conference was held on November 10 and 11, 1994 in San Jose, California. A sample of the topics presented at that Conference included Sections 482 and 6662(e), Building the File; International and Current Tax Developments that Impact High Tech Companies; Post-Barclay's, What Do You Do Now?; Section 197 Effect on Mergers and Acquisitions, Section 382 and Accounting for Income tax; and Income and Estate Tax Planning for High Tech Executives.

### President's Message

(Continued from page 1)

and President Elect to participate in the meeting. I believe the Membership Committee and its activities will be even more important in the future as many business schools and accounting departments adjust to declining enrollments.

Fran Ayres and her committee have almost completed their work in planning for the annual meeting. At the Trustees' Meeting, Fran reported that the ATA will have four research sessions and one panel. The panel presentation, a tax education workshop featuring this year's recipient of the Arthur Andersen/ATA Teaching Innovation Award, will be immediately after the luncheon. A copy of the program and information about this year's luncheon speaker, Mark Weinberger, are in this newsletter. As usual, we will honor a number of outstanding ATA members with awards at the luncheon. I look forward to seeing all of you at the business meeting, the luncheon, and the ATA sessions.



## MEET YOUR PRESIDENT FOR 1995-96



Debra M. Hill becomes President of the American Taxation Association in August 1995. Currently, Debra is Chairwoman and Professor of the Department of Accounting at the University of Texas at Arlington (UTA), where she has been a member of the faculty since 1987. Prior to joining the faculty at UTA, Debra was an Associate Professor at the University of North Texas (UNT), where she also served as Faculty Advisor for UNT's Beta Alpha Psi chapter.

Debra received her BFA in Painting and MBA with a concentration in Accounting from Ohio University. She completed her Ph.D. at Oklahoma State University. She is a CPA in Oklahoma and Texas.

A member of the ATA since 1982, Debra has held each of the Association's officer positions: Secretary-Treasurer (1990-92), Vice-Presi-



Debra M. Hill

dent (1992-93), and President-Elect (1994-95), in addition to serving several terms as a member of the Board of Trustees. From 1989 to 1992, she was Associate Editor of JATA; prior to this, she served as a member of JATA's Editorial Board. She has also served on various committees within the ATA.

At UTA, Debra now teaches the introductory taxation course. Over the course of her career, she has taught graduate

courses in corporate taxation, partnership taxation, tax research and IRS practice and procedures, entities taxation, and even oil & gas taxation.

In her spare time, Debra enjoys traveling, scuba diving, walking, gardening, motorcycling, and reading. As President-Elect, she has been making plans for the 1996 ATA Mid-Year Meeting in New Orleans as well as considering ATA committee assignments. She is looking forward to working with all members next year as President.



### ARTHUR ANDERSEN FOURTH ANNUAL TAX CHALLENGE™



On October 21, 1995 Arthur Andersen will host the Fourth Annual Tax Challenge™. This event is a nationwide collegiate competition designed to stimulate student interest in taxation. Each participating institution is permitted to send a team of four students to compete in one of eight regional sites in separate graduate and undergraduate divisions. The top ten teams from each division will advance to the National Competition November 17-19 held at the Arthur Andersen Center for Professional Education in St. Charles, Illinois.

The Tax Challenge™ case studies will be based on federal tax issues confronting an individual or family with his/her own business. The students are provided copies of the Internal Revenue Code and Treasury Regulations to assist in the comple-

tion of their solution. All participants receive recognition for their achievement. Finalist teams this year are competing for even more scholarship dollars for their schools. The amounts listed below are double the amounts awarded in previous years.

First Place:	\$20,000
Second Place:	10,000
Third Place:	5,000
Finalists:	2,000

The enhanced awards reflect Arthur Andersen's commitment to helping participating schools further stimulate interest in tax education. All donations are made to a school's designated scholarship fund.

For more information on the Fourth Annual Tax Challenge™, please contact Jeff Totten at (708) 444-5336 or FAX (708) 584-5581.

## PROPOSED BY-LAW CHANGES

On February 24, 1995, the Board of Trustees of the American Taxation Association discussed several changes to the By-Laws. The first was a proposal by former Secretary-Treasurer Dick Weber to split the position of Secretary-Treasurer into two positions. The second was a proposal from the Concerns of New Tax Faculty, represented by its chair, Doug Shackelford. This proposal would require that an untenured, tenure-track faculty member be appointed each year to the Nominations Committee. The third proposal is to create a Vice President Elect position. The Board unanimously supported the first and third proposals and supported the second proposal by a vote of seven to two. These changes affect Sections IX, X, and XII. The original Sections IX, X, and XII, the proposed changes, and the reasons for the changes are presented below. Members will vote on these changes at the August 1995 ATA business meeting.

### **Current Section IX of the By-Laws:**

#### **IX. Election of Officers**

The Officers shall consist of a President, President-Elect, Vice President and Secretary-Treasurer who are elected at the Annual Business Meeting of the ATA Section.

#### **Proposed Change**

**The Officers shall consist of a President, President-Elect, Vice President, Vice President-Elect, Secretary, and Treasurer. The President-Elect, Vice President-Elect, Secretary, and Treasurer are elected at the Annual Business Meeting of the ATA Section.**

#### **Reason For Change:**

Under the current arrangement, the Vice President must begin planning the following year's Mid-Year meeting prior to his or her election at the annual business meeting. Election of a Vice President Elect will allow for a longer planning period for the Mid-Year Meeting. The Secretary-Treasurer's responsibilities have become too much for one person. In addition, the Trustees believe the Association needs an individual responsible for maintaining various records such as officer's handbooks.

### **Current Section X of the By-Laws:**

#### **X. Term and Duties of Officers and Editors**

##### **President**

The President shall serve for a one-year term. The duties of the President include the following:

1. To direct and administer the affairs of the ATA Section including its committee activities during the term of office.
2. To serve as Chairman of the Board of Trustees.
3. To be responsible for the technical program of the Annual Meeting.
4. To preside at the Annual Business Meeting of the Section.
5. To appoint members to committees, and at his discretion, to remove members from committees.
6. To report periodically to the AAA Executive Committee regarding Section activities.

7. To serve as a liaison between the ATA Section and the AAA President, AAA Executive Director and Regional Vice Presidents regarding activities of mutual interest.
8. To appoint the ATA Newsletter Editor and Associate Editor of the ATA Journal.

##### **President-Elect**

The President-Elect shall be elected for a one-year term, and upon its completion, shall automatically serve as President for one year. The duties of the President-Elect include the following:

1. To present recommendations for committee activities with related charges and supporting budget to the Board of Trustees for approval at the Annual Trustee's Meeting at the beginning of his term as President.
2. To serve as a member of the Board of Trustees.
3. To consult with the President regarding significant committee and program activities for the year immediately preceding his or her term of office as President.
4. To discuss plans for the coming year at the Annual Business Meeting.

##### **Vice President**

The Vice President shall be elected for a one-year term. The duties of this office are as follows:

1. To direct and administer the affairs of the ATA in the event the President is unable to serve including presiding the Annual Business Meeting.
2. To act as Secretary-Treasurer in the event the duly elected Secretary-Treasurer is unable to serve. If the Vice President is unable to serve as Secretary-Treasurer, the President shall appoint an ATA member to fill the position for the duration of the unexpired term.
3. To serve as a member of the Board of Trustees.
4. Administer the annual Mid-Year Meeting.
5. To perform whatever duties the President might assign (e.g., acting as a liaison between the ATA and AAA Regional Vice Presidents and directing public relations activities).

##### **Secretary-Treasurer**

The Secretary-Treasurer shall be elected for a one-year term and is eligible for re-election for two additional one-year terms. The duties of this office are as follows:

1. To attend all meetings of the Board of Trustees and all meetings of the membership and record all votes and the minutes of all proceedings.
2. To have charge of all funds of the ATA Section and to work with the AAA Executive Director relative to all facets of sectional membership and the collection and disbursements of sectional funds in accordance with directions from the Board of Trustees.
3. To keep records of cash receipts and disbursements and prepare financial reports to the Board of Trustees upon request.
4. To report annually to the membership and Board of Trustees on the Financial affairs of the ATA Section.

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**Proposed By-Law Changes** (Continued from page 3)

5. To assist the President-Elect in preparing the budget outlining the financial resources and requirements for the next fiscal year.
6. To serve as a member of the Board of Trustees.

**Editor of The Journal of The American Taxation Association**

The Editor is elected for a three-year term which may be extended by reelection for a maximum of three additional one-year terms. The duties of the Editor are as follows:

1. To be responsible for the administration, the content and the publication of the Journal.
2. To report to the Board of Trustees and the membership as to the status and current activities of the Journal.
3. To advise the President as to the appointment of an Associate Editor and members of the Editorial Review Board all of whom are appointed for a one-year term with annual one-year reappointments limited to a maximum of three-years.

**ATA Newsletter Editor**

The Editor is appointed by the President for a one-year term. The term may be extended by reappointment by an incoming President for an additional one-year term. The Editor shall be responsible for the administration, content, publication and distribution of the ATA Newsletter.

**Proposed Changes to Section**

Change the description of the Vice President, to state

**The Vice President shall serve for a one-year term. The duties of this office are as follows:**

1. To direct and administer the affairs of the ATA in the event the President is unable to serve including presiding at the Annual Business Meeting.
2. To act as Secretary or Treasurer in the event the duly elected Secretary or Treasurer is unable to serve. If the Vice President is unable to serve as Secretary or Treasurer, the President shall appoint an ATA member to fill the vacant position for the duration of the unexpired term.
3. To serve as a member of the Board of Trustees.
4. To administer the annual Mid-Year Meeting.
5. To perform whatever duties the President might assign (e.g., acting as a liaison between the ATA and AAA Regional Vice Presidents and directing public relations activities).

Add the following description of the Vice President Elect:

**Vice President-Elect**

The Vice President-Elect shall be elected for a one-year term, and upon its completion, shall automatically serve as Vice President for one year. The duties of the Vice President Elect include the following:

1. To consult with the President-Elect in planning the Mid-Year Meeting for the following year.

2. To consult with the President-Elect regarding appointments to the Mid-Year Program Committee and to begin working with this committee immediately after the current year's Mid-Year Meeting.
3. To distribute a program for the next year's Mid-Year Meeting to the Board of Trustees and the membership at the annual business meeting.
4. To serve as a member of the Board of Trustees.

Delete the section titled Secretary-Treasurer, and substitute the following:

**Secretary**

The Secretary shall be elected for a term of one year and be eligible for reelection for an additional one-year term. The duties of this office are to:

1. Attend all meetings of the Board of Trustees and all meetings of the membership and record all votes and the minutes of all proceedings.
2. Maintain and distribute as needed a current copy of the By-Laws.
3. Maintain up-to-date, accurate service records of the membership's individual activities and provide them to the various parts of the Association that need them.
4. Oversee the maintenance of and distribute, as needed, handbook materials describing the duties of persons holding the various positions in the Association.
5. Serve as a member of the Board of Trustees.

**Treasurer**

The Treasurer shall be elected for a term of two years. The duties of this office are to:

1. Have charge of all funds of the ATA Section and to work with the AAA Executive Director relative to all facets of sectional membership and the collection and disbursement of sectional funds in accordance with directions of the Board of Trustees.
2. Keep records of cash receipts and disbursements and prepare financial reports to the Board of Trustees upon request.
3. Report annually to the membership and Board of Trustees on the financial affairs of the ATA Section.
4. Assist the President-Elect in preparing the budget outlining the financial resources and requirement for the next fiscal year.
5. Serve as a member of the Board of Trustees.

**Reason for Changes:**

These changes delineate the duties of the Vice President and those of the newly created Vice President Elect. They also divide the duties of the Secretary-Treasurer and add new duties for each of the new positions.

**Current Section XII**

**XII. Committee Structure**

1. The Committee Structure consists of five standing committees and other committees deemed nec-

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### Proposed By-Law Changes (Continued from page 4)

essary by the President during his or her term in office. Except for the standing committees, continuation of any committee shall be subject to ratification of the Board of Trustees.

2. The Chairperson of each committee shall make a written report to the Board of Trustees prior to their regular meeting, and at such other times as requested by the Board or the President.
3. The Chairperson of each committee shall make an oral and/or written report to the membership at the Annual Business meeting.
4. The President shall appoint a Committee on Nominations consisting of five members. Two of the five members shall consist of the most recent Past-Presidents of the ATA Section who are willing and able to serve on the Committee. The least recent Past-President shall chair the Committee; in the absence of such a person on the Committee, the President shall appoint a chair. The Chairperson of the Nominating Committee shall solicit names from the membership (using the ATA Newsletter as a vehicle for such solicitation), from past ATA committee chairs and from the members of the Board of Trustees.

The Nominating Committee shall by majority vote recommend a single slate of nominees. Other names shall be solicited from the floor. The nominees shall be elected by a simple majority of the membership present at the Annual Business Meeting. The nominees should consist of the following:

President-Elect, Vice President, Secretary-Treasurer, three Trustees, two members of the Publications Committee, and a Journal Editor if such term is expiring.

In addition the President shall appoint:

- a. Individuals to the Annual Program Committee.
  - b. The same number of members as the number of regions in the AAA and a Chair-designate to the Regional Programs Committee. The preceding year's Chair-designate shall chair the Committee.
  - c. The same number of members as the number of regions in the AAA to the Membership Committee.
  - d. One incoming Trustee to the Publications Committee.
5. The Publications Committee shall consist of four voting members elected by a vote of the entire membership for two-year terms (two elected each year), two voting members appointed by the ATA President (one appointment being made each year) from the most recently elected, non-officer members of the Board of Trustees for two-year terms, with the current editors of *The Journal of the American Taxation Association* and the ATA Newsletter serving as ex-officio, non-voting members.

The Committee shall be chaired by the Director of Publications who is the appointed member of the Publications Committee in his or her second year

of service; and it is responsible for all policy issues over all ATA publications, but does not have authority to make editorial decisions. The Chair has a vote in all Committee matters. The Committee is responsible for initiating disciplinary action against any ATA Editor. Such action will only be taken in unusual situations, not including situations involving editorial decisions. The Committee has the responsibility and authority for making initial recommendations for disciplinary action to the Executive Committee after informing the Editor of its planned recommendation. If the Executive Committee believes that disciplinary action should be taken, it must submit its recommendation to a vote of the entire membership. Voting shall be by a written, mailed ballot that contains both pro and con positions, and a 30-day period should be allowed for the return of ballots.

### Proposed Changes to Section XII

The description of the Committee on Nominations shall read as follows:

**The President shall appoint a Committee on Nominations consisting of five members. Two of the five members shall consist of the most recent Past-Presidents of the ATA Section who are willing and able to serve on the Committee. One member of the Committee shall be an untenured, tenure-track faculty member. The least recent Past-President shall chair the Committee; in the absence of such a person on the committee, the President shall appoint a chair. The Chairperson of the Nominating Committee shall solicit names from the membership (using the ATA Newsletter as a vehicle for such solicitation), from past ATA committee chairs and from the members of the Board of Trustees.**

The duties of the Committee on Nominations shall read as follows:

**The Nominating Committee shall by majority vote recommend a single slate of nominees. Other names shall be solicited from the floor. The nominees shall be elected by a simple majority of the membership present at the Annual Business Meeting. The nominees shall consist of the following:**

**President-Elect, Vice President-Elect, Secretary, Treasurer, three Trustees, two members of the Publications Committee, and a Journal Editor if such term is expiring.**

### Reason for Change:

The Board agrees with the recommendation of the Concerns of New Tax Faculty Committee that one member of the nominating committee should be an untenured assistant professor. Such an appointment assures that the needs and interests of new tax faculty will be taken into account in the nomination of officers and trustees.



Over 200 attended the ATA Mid-Year Meeting and JATA Conference held in San Antonio on February 24 and 25. This was the first year for the JATA Conference—a half day conference focusing on a research theme. This year's theme was "Experimental Methods as Applied to Problems in Taxation." Concurrent with the JATA Conference, Martha Doran, a CPA and Ph.D. in instructional development, led a half day session on "Cooperative and Team Learning— Teaching Tax."

Ten concurrent sessions were held throughout Saturday on teaching

and curriculum related topics, technology, tax research, and teaching international taxation. The luncheon speaker, Graham Clark, Technical Advisor-Assistant Commissioner International, updated the audience on "hot topics" in international taxation.



**Graham Clark,  
Luncheon Speaker**

Don't miss next year's meeting in New Orleans! Your colleagues are looking forward to seeing you there. Suggestions for the meeting should be sent to Shirley Dennis-Escoffier at the University of Miami, Coral Gables, Florida 33124-6531.



**A large turnout**

## CALL FOR NOMINATIONS COMMISSIONER'S ADVISORY GROUP

The ATA Board of Trustees would like to nominate an ATA member to serve on the Commissioner's Advisory Group. According to guidelines recommended by the ATA's 1993-94 Relations with the IRS and Treasury Committee, nominees should:

1. have a minimum of ten years' experience in tax practice or teaching tax at an academic institution,
2. be nominated by letters of recommendation from at least two ATA members,
3. be tenured (if the individual is a tenure-track faculty member), and
4. provide evidence of a positive relationship with the IRS or potential for endorsement by an IRS District Director.

Interested individuals should send a letter and resume to Mr. Robert Rosen (Chair, Relations with the IRS and Treasury Committee); Ernst & Young, 1225 Connecticut Avenue NW; Washington, DC 20036 no later than September 15, 1995.

## NOMINATIONS FOR ATA NEWSLETTER EDITOR- ELECT

The Publications Committee seeks nominations for Editor-Elect of *The American Taxation Association Newsletter*. The term of office is six months and begins in April 1996. Interested persons should submit a letter expressing their interest along with a current vita by October 30, 1995 to:

Professor Jeffrey Gramlich  
College of Business & Administration  
University of Hawaii  
2404 Maile Way  
Honolulu, HI 96822

E-mail:  
gramlich@cbaux.CBA.Hawaii.EDU  
Fax: (808) 956-9888

Also, persons wishing to nominate someone other than themselves should submit a nominating letter to Jeff by the same date.

## MINUTES OF THE ATA BOARD OF TRUSTEES MID-YEAR MEETING February 24, 1995

Board of Trustees Members Present: Silvia Madeo, Debra Hill, Barry Arlinghaus, Betty Jackson, Shirley Dennis-Escoffier, John Everett, Anna Fowler, Jeffrey Gramlich, Philip Harmelink, Terry Shevlin, Charles Swenson, and Sandra Kramer.

President Silvia Madeo called the meeting to order at 8:00 A.M. The minutes from the August 10 and 11 meetings of the Board at the Annual Meeting of the AAA in New York City were approved with minor corrections.

Treasurer Betty Jackson presented the financial statements for the fiscal year ended August 31, 1994. The trustees questioned some categorization of expenditures and certain expense categories were explained. The inability to attain the same kind of reporting for the Annual Meeting as we can show for the Mid-Year Meeting was discussed. The reports were discussed and accepted by the Board of Trustees.

Vice President Barry Arlinghaus reported on the status of the 1995 Mid-Year Meeting. We had registrations substantially in excess of the 150 projected. Barry Arlinghaus led a discussion concerning whether a late registration fee should be levied for the Mid-Year Meeting. Registrations shortly before the meeting caused difficulties, especially with getting enough printed materials available and sending them to JATA conference registrants and securing rooms suitable for the number of attendees. This year, the JATA Conference presented an additional concern because of the need to provide printed materials to conference attendees. After some discussion, a \$25 late registration fee was proposed. The motion passed. The Board also discussed instituting a reduced fee for doctoral students for the Mid-Year Meeting. A motion that we have a one-year trial of a 50 percent fee for doctoral students was approved.

The previous Secretary-Treasurer, Dick Weber, presented a proposal to split the jobs of secretary and treasurer, citing the dramatic growth of responsibilities the job carries and the need to have someone who can take some time to do extra things

rather than just being able to keep up with basic responsibilities. John and Shirley have been compiling a list of policies adopted and other history and in the process discovered that we do not have a complete record. A motion to recommend to the membership the job be split passed unanimously. The Treasurer will be elected for a two-year term and the Secretary will be elected for a one year term, with a possible one-year renewal.

Ed Schnee joined the meeting to report on his committee's work on a replacement project for the discontinued Ernst & Young Graduate Tax Manuscript Contest. The committee conducted a survey to determine the major factors attracting students to masters programs. In particular, the survey focused on the potential benefits of creating a fund for scholarships. The Board discussed the amount of money potentially available (based on the amount of money previously expended to fund the Manuscript Contest) and the preferred ways of allocating the funds. A discussion of whether some portion of the money might be targeted toward minority students followed. Silvia Madeo noted that we might consider and recommend ways in which Ernst & Young's support for the award might be publicized. Silvia Madeo asked Ed Schnee to talk with Arthur Gordon of Ernst & Young about his reaction to the proposal. Assuming that initial reaction is favorable, she and Ed will work together to produce a formal proposal to submit to the Ernst & Young Foundation. The general consensus was support for a scholarship program that favors full-time students and is independent of specific universities.

Doug Shackelford, Chair of the Concerns of New Tax Faculty committee, discussed the committee's report (previously submitted to the Board of Trustees). He reported that the most important issues to new faculty should come as no surprise to any tax faculty: research and teaching. On the research issue, he reported that since JATA is the only outlet we can directly affect, the committee con-

sidered ways of stimulating faster reviews. Although JATA's turnaround is very good relative to other target journals, any improvement in turnaround can have a major effect. One suggestion was to pay reviewers a relatively small amount (perhaps \$25) for each round of review, similar to the policy of some other journals. The submission fee would be increased to pay for the expenditure. Although some members felt that reviewing is a professional responsibility and that we should not adopt such a procedure, there was support for further consideration of the issue by the Publications Committee. The Board voted to refer the issue to the Publications Committee. It was decided that if a proposal were to come forward soon, the Board could vote on the proposal by mail ballot unless members felt that further discussion is needed before a final vote. Two other issues of concern were raised. First, new faculty generally must get tooled up to teach both basic and advanced courses before coming up for tenure. It is generally agreed that the teaching consultants program initiated by Anna Fowler is highly responsive to this concern but that other support could also be considered. The second concern is in finding ways of getting involved in the ATA and more effectively networking with tax faculty at other schools with similar research and teaching interests. The Mid-Year Meeting programs have been very effective in promoting such involvement and the Board supports further focus on this concern in planning national meetings. The New Faculty Consortium was noted to be a good forum for planning additional ways of responding to new faculty concerns. The general consensus is that our section is very accessible to new faculty and offers many ways to get involved, but that we should keep trying to find additional ways of reaching out to new ATA members. Finally, a motion suggested by Doug Shackelford was made and approved by a seven to two vote to propose to the membership an amendment to the by-laws to have an untenured fac-

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## NCAIR GRANT PROPOSALS

During 1994-95, one charge of the Computer Resources Committee is as follows:

Continue to be involved with assisting ATA members to compete successfully for NCAIR (National Center for Automated Information Research) grants. NCAIR funds are available for research in education and practice technologies in accounting and law. The submission deadlines are April 1, August 15, and December 1.

During 1994, the following accounting faculty were awarded grants:

Alexander Kogan, Robert Schlosser, Ephraim Sudit, and Miklos Vasarhelyi, Rutgers University, "Organizing and Disseminating Accounting Education Change Materials through the Internet," \$62,475 (first year).

Michael Roberts, University of Alabama, "Developing Expertise in Computer Assisted Tax Research," \$25,500.

S. M. Groomer, Indiana University, "A Proposal to Develop a Course on the Utilization of Data and Technology to Solve Business Problems," \$44,000.

E. Peacock, Oakland University, "Developing an Accounting/MIS Curriculum Using Computer Aided Systems Engineering (CASE) Methodology," \$80,609.

Are you interested in educational technology? If so, then you are strongly encouraged to submit a proposal to NCAIR. Would you like some assistance? If so, committee member and NCAIR trustee Robert Michaelsen (michaels@cobaf.unt.edu or (817) 565-3090) is willing to assist people in improving the quality of their submissions. In fact, Bob offers the following grant-seeking strategies:

1. Applicant must have a strong research record.
2. NCAIR is primarily funding projects concerning (1) the use of the Internet or other electronic context to disseminate educational materials and (2) the development of materials for educating account-

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ulty member added to the Nominations Committee. In recent years, untenured members have in fact been on the Committee, but this change will institutionalize the practice. The sense of the Board is that such a change reflects our belief that there are always several candidates among the untenured faculty who would make excellent Nominations Committee members and that this proposal reflects the value we place on representation by newer members to the ATA.

Debra Hill reported on the next Mid-Year Meeting to be held in New Orleans February 22-25, 1996. She assured the Board that these dates are after Mardi Gras. Room rates in New Orleans are quite a bit higher than we have experienced. She discussed the various options and gathered feedback from the Board. She and Philip Harmelink will work together to put together the final package and attempt to negotiate more favorable room rates.

Debra Hill next opened a discussion on instituting a Newsletter Editor-Elect position to facilitate a smooth transition and allow a period of overlap. The plan is to change the timing such that the next editor is named at the Mid-Year Meeting. Tony Curatola has agreed to serve as Editor for one more year during the transition.

Silvia Madeo next opened a discussion on the timing problems faced by the Vice President in planning the Mid-Year Meeting. Currently, the Vice President is not elected until the Annual Meeting and major decisions must be made before that time. If the

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ing students in the use of the computer in accounting practice.

For those who are interested in submitting proposals to NCAIR, information can be obtained by writing or calling the following:

NCAIR  
Suite 1B  
165 East 72nd Street  
New York, NY 10021-4335  
(212) 249-0760

Vice President were to be named earlier, he or she could be working with the President-Elect as the meeting site is being negotiated. It was moved and approved that Silvia Madeo should draft an amendment to the By-Laws to institute a position of Vice President Elect.

Fran Ayres next reported on progress for the Annual Meeting. She announced that times are set for all meetings and that the Business Meeting is scheduled for Monday, August 14 from 10:15 A.M.-11:45 A.M. in a room that seats 200. Problems of getting big enough rooms at this time slot in the convention were discussed. It was agreed that the 200 capacity should be sufficient. It was noted that members are so accustomed to the timing of this meeting that continuing the established pattern is a good idea. Fran announced that the speaker had not been determined yet and informed the Board of possibilities and asked for further suggestions. Following a discussion of ways to enliven paper presentation sessions, the Board asked Fran to consider alternatives in format with the Program Committee.

The issue of advertising in JATA and the Newsletter as UBIT was raised. The Board requested that the Treasurer resolve the issue and report at the Annual Meeting.

Silvia Madeo informed the Board that she believes the Publication Committee Handbook, tentatively approved by the Board at the 1994 Mid-Year Meeting, contains a few inconsistencies with the By-Laws. She will distribute a copy with suggested changes to the Board as well as to the Publications Committee Chair and JATA Editor for comments and approval.

Finally, Silvia Madeo reported on the AAA strategic planning process. She distributed a copy of a document that she, with input from Jane Burns, John Everett, and Anna Fowler had produced to map ATA activities to the AAA's strategic plan, which will be considered at the 1995 Spring Council meeting. Silvia asked the Board to review the ATA document for comments and possible future action.

The meeting was adjourned at 12:00 NOON.



## ATA RESEARCH METHODOLOGIES COMMITTEE

In addition to completing the third ATA Research Monograph, titled "Behavioral Tax Research: Prospects and Judgment Calls," the ATA Research Methodologies Committee is actively working to improve ATA Internet resources. During the summer, Alan Macnaughton and Rick Robertson (the moderator for TAXRES) discovered that another newsgroup (ATax-L) existed which covered identical topics to TAXRES. This group was moderated by Sharon Lassar of Florida Atlantic University. After discussion in the committee and with Sharon, we concluded that merging the two newsgroups would result in better service to all individuals interested in taking advantage of a tax listserver (the more the participation, the more valuable the service) and avoid needless duplication. The new, combined newsgroup is known as ATax-L and is made up of all subscribers to both newsgroups. The moderators are Sharon Lassar and Rick Robertson.

All previous subscribers to either newsgroup have now become a subscriber of the combined automatically. Those who were previously subscribers to TAXRES should have received a welcome message notifying them that they have been added to

the new system. If you have not received a welcome message, please send e-mail notification to [jdavis@ux1.cso.uiuc.edu](mailto:jdavis@ux1.cso.uiuc.edu).

The primary objective of ATax-L is to provide a vehicle for sharing ideas and helping each other with our research and teaching. The system will allow subscribers to communicate with tax academics throughout the world so that they can quickly get information and advice on a number of items. In the past, items on the listserver have included a discussion about texts that would be appropriate for use in a tax policy course, a question about the specific source for a statistical test, discussions of the history and purposes of particular tax laws and numerous postings about new books, available course syllabi, and articles of interest to tax academics. Beginning this spring, participants are invited to post *brief* abstracts of their working papers for purposes of discussion and to keep other researchers informed of current work. Because the new combined listserver includes many subscribers from outside the United States the new system will also provide the opportunity to make an international comparison of the tax treatment of

various transactions. We encourage you to take advantage of ATax-L and share your ideas and questions.

If you have not previously subscribed to either newsgroup and wish to become a subscriber, send a message to the listserver:

**[listproc@scu.edu.au](mailto:listproc@scu.edu.au)**

with the following text in the body of the e-mail message:

**subscribe atax-l *firstname lastname*.**

where *firstname lastname* is your first and last name. ATax-L is one of many mailing lists maintained by ANet (a broadbased electronic forum in the accounting discipline). The services provided by ANet (a broadbased electronic forum in the accounting discipline). The services provided by ANet include the managing and archiving of electronic mailing lists encompassing the major areas of accounting and the maintenance of an on-line repository of a growing body of accounting resources. To find out more about ANet, an "Introduction to ANet" will automatically be returned in response to e-mail sent to:

**[ANet@scu.edu.au](mailto:ANet@scu.edu.au)**

No subject line or text is required for this e-mail.



### ADVANCES IN TAXATION Editorial Policy and Call for Manuscripts



*Advances in Taxation* is a refereed academic tax journal published annually. Academic articles on any aspect of federal, state, local, or international taxation will be considered. These include, but are not limited to, compliance, computer usage, education, law, planning, and policy. Interdisciplinary research involving economics, finance, or other areas also is encouraged. Acceptable research methodologies include any analytical, behavioral, descriptive, legal, quantitative, survey, or theoretical approach appropriate to the project.

Manuscripts should be readable, relevant, and reliable. To be readable, manuscripts must be understandable and concise. To be relevant, manuscripts must be directly related to problems inherent in the system of taxation. To be reliable, conclusions must follow logically from the evi-

dence and arguments presented. Sound research design and execution are critical for empirical studies. Reasonable assumptions and logical development are essential for theoretical manuscripts.

Three copies of the typed manuscript should be submitted together with a check for \$30.00 U.S. funds made payable to *Advances in Taxation*. The manuscript should be double spaced on 8 1/2" x 11" paper. The submission fee is non-refundable. On the cover page the author(s) should include name, affiliation, address, phone number, fax number, and e-mail address (if available). In the case of manuscripts reporting on field surveys or experiments, three copies of the instrument also should be submitted. Manuscripts currently under consideration by another journal or publisher should not be submitted.

Editorial correspondence pertaining to manuscripts should be forwarded to:

Professor Thomas M. Porcano,  
Editor

*Advances in Taxation*  
Department of Accountancy  
Richard T. Farmer School of  
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Phone: (513) 529-6221  
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*Advances in Taxation* is published by JAI Press Inc., which is a well-regarded publisher of academic literature in a number of business and non-business fields. Subscription information may be obtained by calling the publisher at (203) 661-7602.

## NOMINATIONS FOR 1995-96 ATA OFFICES

The nominations committee of ATA is pleased to nominate the following individuals as officers, trustees, and members of the publications board for the 1995-96 ATA fiscal year. The nominees for each respective office is as follows:

### President-Elect

Ed Outslay  
*Michigan State University*

### Vice President

Shirley Dennis-Escoffier  
*University of Miami*

### Secretary-Treasurer

Betty Jackson\*  
*University of Colorado*

### Trustees

Fran Ayres  
*University of Oklahoma*

Doug Shackelford  
*University of North Carolina*

Suzanne Kopplin  
*Ernst & Young, LLP -National*

### Publications Board

Susan Anderson  
*University of North Carolina-  
Greensboro*

Pat Wilkie  
*George Mason University*

### JATA Editor-Elect

Terry Shevlin\*\*  
*University of Washington*

\* To complete second year of a two-year term.

\*\* As required by the ATA by-laws, the Publications Committee forwarded one name to the Nominations Committee to accept or reject. The Nominations Committee accepted this recommendation.

The nominations committee thank the many people who made nominations.

The members of the Nominations Committee were John Everett (chair), Julie Collins, Anna Fowler, Sanjay Gupta, and Steve Limberg.

## MY LIFE AS AN ACTIVIST Anna C. Fowler

In one of my lives I teach the taxation topics in the CPA Review Course offered through Management Development (Executive Education) at the University of Texas at Austin. In connection with this activity, I always familiarize myself with the tax questions on the most recent CPA exams. Earlier, as a member of the Tax Education Committee of the AICPA's Tax Division, I served on a Task Force that reviewed and commented on such questions. When I reviewed the tax questions on the May 1994 CPA exam, I was not pleased with several of the questions and the message they might convey about what might be perceived to constitute the requisites for success in the accounting profession. For example, one question asked the examinees to calculate to the nearest thousand dollars the cost recovery deduction in year one for a piece of furniture. This is an easy task provided one remembers what the write off period is for furniture. I consider knowing the recovery period to be knowing trivia (you may disagree) because in the "real world" one could easily look up this tidbit. The exam contained four questions dealing with the adjusted current earnings(ACE) adjustment. In my opinion, and the opinion of several with whom I discussed the matter, this was too much emphasis on a quite detailed topic. In addition, several questions were written in such a fashion that, based on the semantics, an examinee could know the tax provisions and correctly apply them but—because of the wording—choose the wrong answer. I should add that, in my opinion, the problem with wording is confined to just the May 1994 exam.

Ray Sommerfeld, in his August 1994 address to the AAA upon receiving the Outstanding Educator Award, suggested that we as academics familiarize ourselves with the CPA exam and take more of an interest in it. After seeking advice from several persons—professors and practicing CPAs—about whom to contact, I took my trip into activism. I wrote to the Chair of the AICPA's Tax Education

Committee (a practitioner), the Committee's staff aid, and the Chair of the AICPA's Board of Examiners (a practitioner serving in a volunteer capacity). I tried to make constructive comments and to emphasize that no one item on the exam would have caused me to write a letter but that the "entire packet" did. I received a very nice letter from the Chair of the Board of Examiners. He stated, among other points, "The Board appreciates your interest and would join Professor Ray Sommerfeld in soliciting faculty members' comments on the Uniform CPA Examination. The board receives only too few letters like yours."

This January I received a letter from Dr. James Blum, Director of the AICPA's Examinations Division, requesting that I call Fran DiPietro, Technical Manager—Examinations Division. I did, and when I called Ms. DiPietro she indicated that she wanted addresses of ATA members in the New York area in order to invite such members to a workshop to be held in June to address writing tax questions for the CPA exam. Persons attending the workshop will be asked to draft questions to be considered for inclusion in the CPA exam. This approach is being used on an experimental basis for tax questions only, and it is anticipated that in future years workshops will be held in other areas of the U.S. so that it will be more feasible financially for persons from a variety of geographical areas to participate. By now, some of you have received an invitation to the June 1995 workshop, and I hope that you can attend. Ms. DiPietro impressed me as being VERY interested in getting input from professors.

In summary, I would describe my life as an activist as one where I felt that the persons at the AICPA really listened to what I had to say and appreciated my comments. I am glad that I wrote the letters. I would encourage you to review the tax questions on future exams and submit comments that you deem appropriate.

## ATA ANNUAL MEETING IN ORLANDO

The ATA Annual Meeting Program Committee would like to invite you to attend the Annual Meeting in Orlando from August 13-16, 1995. We would like to thank all the individuals who submitted manuscripts for this year's meeting. The program includes four paper sessions and a panel featuring the recipient of the American Taxation Association/Arthur Andersen Teaching Innovation Award. In addition, several papers will be featured at the Research Forum. The ATA luncheon will be Monday, August 14 at 12:00 noon. The guest speaker is Mark Weinberger, Chief of Staff to the Kerrey-Danforth Bipartisan Commission on Tax Reform. A biographical sketch is provided in a separate article. The following is the schedule of events planned for the 1995 meeting.

### Monday, August 14, 1995

10:15-11:45 A.M.

ATA Business Meeting

12:00 noon-2:00 P.M.

ATA Luncheon

2:15-3:45 P.M.

**Panel: Arthur Andersen/ATA Tax Education Workshop: Technology Can Enhance Educational Efficiency**

Moderator:

Danny Hollingsworth  
*Baylor University*

Panelists:

James E. Parker  
*University of Missouri-Columbia*

William F. Yancey  
*Texas Christian University*

Roxanne Spindle  
*Virginia Commonwealth University*

Matthew Holman  
*Arthur Andersen & Co.*

4:00-5:30 P.M.

**Papers: Taxes and Business Decisions**

Moderator:

C. Bryan Cloyd  
*University of Texas at Austin*

Presenters:

Douglas Shackelford, University of North Carolina, and Kathy Petroni, Michigan State Univer-

sity, "Taxes, Regulation and the Organizational Structure of Property Casualty Insurers."

George Plesko, Northeastern University, "The Role of Taxes in Organizational Choice: S Conversions After the Tax Reform Act of 1986."

Mohamed E. Hussein, University of Connecticut, "The Impact of Tax Laws and Transaction Costs on Competitiveness of U.S. Multinationals."

### Tuesday, August 15, 1995

2:15-3:45 P.M.

**Papers: International Issues in Taxation**

Moderator:

Mark Higgins  
*University of Connecticut*

Presenters:

Louise E. Single, Boston College, "The Role of U.S. Tax Policy and Host Country Tax Incentives on the Plant Location Decisions of U.S.-based Multinationals."

Kaye Newberry, James Madison University, "Do Taxes Affect the Corporate Financing Decisions of U.S. Multinationals?"

John Jacob, University of Colorado at Denver, "Taxes and Transfer Pricing: Income Shifting and the Volume of Intra-Firm Transfers."

Discussant:

Julie Collins  
*University of North Carolina*

4:00-5:30 P.M.

**Papers: Behavioral Research in Taxation**

Moderator:

Andy Cuccia  
*Louisiana State University*

Presenters:

Jon Davis, the University of Illinois, and J. David Mason, East Carolina University, "The Role of Similarity in Tax Authority Judgments."

Donald R. Trippeer, Lehigh University, and Rich White, University of South Carolina, "Taxpayer

Compliance and the Exchange Relationship: The Case of National Health Insurance."

Michael Roberts, University of Alabama and George F. Klevsey, University of Alabama, "The Effects of Experience and Knowledge on Tax Decision Making."

### Wednesday, August 16, 1995

4:00-5:30 P.M.

**Papers: Issues in Tax Policy**

Moderator:

Daniel Murphy  
*University of Tennessee*

Presenters:

Jeffrey D. Gramlich, University of Hawaii at Manoa, and David S. Hulse, University of Kentucky, Lexington, "Insider Trading and Rifle Shot Tax Breaks in TRA 86."

Michael J. Calegari, University of Arizona, "The Impact of Capital Gains Taxation on Asset Prices and Trading Volume."

Susan E. Anderson, University of North Carolina at Greensboro, and Janet Butler, University of North Carolina at Greensboro, "Do Tax Incentives Work to Overcome Risk Avoidance?"

Discussant:

Ananth Seetharaman  
*St. Louis University*



### NEWSLETTER DEADLINES

The deadlines for submitting information to the ATA Newsletter are as follows: **Fall 1995 Issue—September 19, 1995 and Spring 1995 Issue—December 22, 1995.** Please send information (preferably in hard copy AND diskette) to:

Anthony P. Curatola  
Drexel University  
COBA - 509E Matheson  
32nd & Chestnut Street  
Philadelphia, PA 19104-2875  
Phone: 215-895-1453  
Fax: 215-895-6975 or 1997

## ATA LUNCHEON SPEAKER

### Mark A. Weinberger

Mark Weinberger is a partner at the law firm of Oldaker, Ryan & Leonard, where he specializes in taxation, budget and legislative issues.

Mr. Weinberger served as Chief of Staff to the Kerrey-Danforth Bipartisan Commission on Entitlement and Tax Reform. The Commission, comprising 12 Senators, ten Members of the House of Representatives and ten non-elected individuals appointed by the President, examined the major budgetary and fiscal issues that this country must resolve during the next decade. Specifically, the Commission focused on reforming entitlement expenditures and restructuring the Federal income tax system. Mr. Weinberger also served as Counsel to the Commission, assisting Commission members in analyzing existing budget and tax rules and developing reform proposals.

Prior to his appointment with the Commission, Mr. Weinberger served as Chief Tax and Budget Counsel to Senator John C. Danforth (R-MO),

formerly Ranking Member of the Commerce Committee and a senior Member of the Finance Committee. As part of his responsibilities, Mr. Weinberger coordinated all efforts for the Senator on drafting the Danforth-Boren Tax Restructuring and Simplification Act of 1994 (which restructured the Federal income tax system by replacing the existing business tax system with a cash-flow system and altered the individual income tax system to ensure simplicity and equity). Mr. Weinberger also coordinated significant legislation proposed to restructure research and development tax incentives, subchapter S of the Internal Revenue Code and the alternative minimum tax.

Before joining Senator Danforth, Mr. Weinberger was a Tax Manager in a national accounting firm, where he specialized in C corporation, S corporation, and non-qualified executive compensation issues, as well as in asset planning.

Mr. Weinberger has written several articles on tax issues and given numerous presentations on tax policy and budget issues. He is an Adjunct Fellow on Tax Policy at the Center for Strategic & International Studies (CSIS). He serves on the Board of Directors of the Tax Section of the Federal Bar Association, and he is a member of the American Bar Association (Chair of the Washington Liaison Subcommittee of the Value Added Tax Committee; Member of the Committees on the Taxation of S corporations, Capital Formation and Administrative Practice).

Mr. Weinberger holds undergraduate degrees from Emory University, a Masters in Business Administration with concentration in corporate finance from Case Western Reserve University, a law degree from Case Western University and a Masters in Tax Law from Georgetown. Mr. Weinberger is admitted to the District of Columbia and Ohio Bars and is admitted to practice before the United States Tax Court.

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### *American Accounting Association*

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