

# American Taxation Association

Volume 6, February 1980

Ken Milani, Editor  
University of Notre Dame

## A Filing From Ford

### PRESIDENT'S REMARKS

By the time you read this, Ray Sommerfeld will have made a presentation to the Accounting Accreditation Planning Committee (AAPC) as the representative of the ATA. The ATA Accreditation Committee, which Ray chairs, prepared a questionnaire which you, hopefully, received and completed. While the questionnaire pertained to a number of issues, the primary purpose was to poll our membership to determine the support for the AAPC's proposed standard concerning the "J. D. — with-qualifications-in-taxation."

#### Survey Results

As of January 29, 1980, 294 members had responded and results indicate:

- 17% — Strongly endorse the proposed standard
- 22% — Endorse the proposed standard with reservation
- 6% — Neutral toward the proposed standard
- 13% — Mildly disagree with the proposed standard
- 42% — Strongly disagree with the proposed standard

On behalf of Ray and his committee I would like to thank all those who responded to the questionnaire.

#### Seminar Information

In order to expand the educational opportunities available to our members, the ATA is currently in the process of trying to establish a seminar dealing with taxation in the oil and gas industry. Hopefully, this will be the first of a series of seminars to be held biannually. While plans are still tentative and additional funding is being sought, current plans indicate that the seminar will be held in Dallas in late October. If you have any questions concerning this seminar, please contact Horace Brock or myself.

#### Annual Meeting

The program for our annual meeting in Boston is currently being developed. Any suggestions for topics should be sent to David Hoffman at the University of North Carolina. Our business meeting and luncheon is scheduled for August 11, 1980. In the past, it has been extremely difficult to predict the number who would be attending the luncheon. In order to encourage early reservations for the luncheon, a dual pricing structure will be developed. A lower price will be available to those who make reservations prior to a date that will be announced in the next newsletter.

#### Miscellaneous Matters

In this issue of the newsletter, the procedure for the American Taxation Association-Alexander Grant & Co. Tax Dissertation Fellowship is

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## NOMINATING COMMITTEE FORMED

The Nominating Committee, which is charged to present a slate of nominees for officers and trustees at the ATA's annual business meeting in Boston, has been formed. Nominees are needed for: President-Elect, Vice-President, Secretary-Treasurer and three positions on the Board of Trustees.

Contact any member of the nominating committee with your nominations. Self-nominations are also encouraged. All nominations must be submitted by May 15, 1980.

Members of the committee are:  
Ron Bagley, Chairperson,  
Department of Accounting,  
University of Utah, Salt Lake City,  
Utah 84112; (801) 581-7444.

Steve Dilley, Department of Accounting,  
Michigan State University,  
East Lansing, Michigan  
48824; (517) 355-7486.

Jim Hassleback, College of Business,  
Florida State University,  
Tallahassee, Florida 32306; (904)  
644-4807.

Sally Jones, Department of Accounting,  
University of Texas at Austin,  
Austin, Texas 78712; (512)  
471-5216.

## MEMBERSHIP DRIVE

ATA is barely six years old and its membership is 800 plus. The phenomenal success of the organization is attributed to the interest in tax education, to the leadership of its officers, and to the accomplishments of the organization. Membership is open to anyone interested in tax education and research. Membership entitles one to receive *The Journal of the American Taxation Association* and the *ATA Newsletter*. Please

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described. Members should also note the announcement concerning formation of the nominating committee. Nominations should be submitted by May 15, 1980. If possible, the nominating committee's slate will be announced in the next newsletter. It is also not too early to start contacting Bill Raby, ATA's president-elect, if you are interested in serving on a committee during 1980-81 or if you have suggestions, ideas or recommendations for committee activities.

Allen Ford

## DISSERTATION FELLOWSHIP APPLICATION DATA

A description of the American Taxation Association—Alexander Grant & Co. Tax Dissertation Fellowship was provided in the October, 1979, newsletter. This \$4,000 fellowship will be awarded in either the fall semester of 1980 or the spring semester of 1981. A committee consisting of Allan Savage, Bernard Goodman, Jack Kramer and Edward Schnee has been formed to select the first recipient.

Applications should be submitted to the Chairman of the Selection Committee by April 30, 1980:

Professor Allan H. Savage  
Department of Accounting and Finance  
College of Business Administration and Economics  
New Mexico State University  
Las Cruces, New Mexico 88003

Each candidate is required to submit two copies of: relevant biographical data; a dissertation proposal (including a timetable covering work to be completed between the submission date and the target date for completion); a certified transcript covering the applicant's doctoral studies; and a list of five references. The applicant's dissertation chairman should submit a letter of recommendation directly to the Chairman of the Selection Committee. Letters from the other four references may be submitted, but are not required.

To be eligible, the recipient must be:

- (1) A student in a Ph.D. or D.B.A. program in an accredited university;
- (2) Completed with all of the requirements for the degree except

the dissertation prior to the beginning of the semester for which the grant is made;

(3) Working on a dissertation in the taxation area;

(4) Committed to teaching and research activities in the area of taxation;

(5) A member of the American Taxation Association; and

(6) Devoting his/her time exclusively to the dissertation during the semester in which the grant is received (this requirement excludes teaching and other outside employment).

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invite your professional associates to join. If each present member would use the application form enclosed with this newsletter and give it to an associate, the organization's membership could grow substantially.

**ATA offers two memberships:**

**Full member: Open to anyone who has a full membership in AAA. \* Dues are \$10 annually.**

**Associate Member: Open to students. Dues are \$3.00 annually.**

ATA is not limited to tax professionals in accounting. Membership crosses over traditional professional lines and is also open to tax lawyers, economists, and politicians. ATA is a positive organization with positive goals. Please show your support by inviting your professional acquaintances to join.

RON BAGLEY  
Membership Chairman

\*An exception is made for persons who joined ATA prior to 1979. They do not have to belong to AAA in order to maintain their ATA membership.

Sommerfeld, Anderson, Brock

## An Introduction to Taxation

This text is intended to serve the needs of a first course in federal income taxation where the course objective is more than just learning how to fill out forms. The 1977 edition was reviewed by Frank E. Watkins, Jr., in the October, 1977, *Accounting Review* (pp. 1008-9). My comments will only supplement and update that analysis. Its present organization is essentially the same as that edition. Its strongest points continue to be: 1) a melding of history, concepts, applications and forms, 2) readability due to writing style (the student learns to swim in a pool rather than in an ocean of code sections and exceptions) and extensive use of tables and figures, and 3) thought-provoking problems which require the student to do more than just regurgitate the text prose.

Students appear to get "hung up" in the historical presentations more now than ever. It may be necessary to soft-pedal them in class or even have the students skip them in some cases in order to prevent confusion between what is and what was. After all, one of their greatest gifts is not having to forget what we've been learning each year or two especially since 1969. However, since knowing what was may be important to understanding what is and since what is is probably not what will be, I do not suggest leaving out the historical perspective entirely.

I usually request that students additionally purchase a *Master Tax Guide* (CCH) or *Federal Tax Handbook* (P-H). They then may use it during exams for rate schedules and other numbers but the exams are written so that they can't look up "everything." Also, there are a number of concepts which these supplements don't cover but which are in the basic text. By my providing a "Cross-

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## Profile of a Program: NYU's MBA and APC

by Herman Clurman, NYU

One of the first graduate schools of business administration in the nation to offer an MBA with a specialization in taxation, New York University, has continued to provide a modern innovative program of instruction in taxation for tax and nontax majors. Located in the heart of the financial district of New York City, the Graduate School of Business Administration draws upon some of the country's finest tax accounting and legal talent for both full-time and part-time teaching of its basic and advanced courses.

The program of study for the MBA in Taxation generally requires completion of 68 points with a minimum of 47 points in residence at the Graduate School of Business Administration. The total point requirement includes the master's thesis of 8 points covering the research findings that involve current problems and developments in federal or local taxation. In lieu of a thesis, a student may complete a research project, enroll in the "Management Decision Laboratory," or the "Management Assistance Project" which involves a project with students majoring in other areas such as accounting, finance, economics, management, etc.

Students majoring in taxation are encouraged to enroll in courses in other disciplines as well as courses directly related to the substantive tax offerings. This recommendation is based upon the belief that a comprehensive knowledge of tax law, procedure and research methods are not in themselves sufficient for day-to-day tax practice in coping with the problems encountered in public accounting, private or corporate practice, financial organizations or governmental agencies. Hence, students are advised to choose electives in such areas of study as accounting, domestic and international finance, economics, quantitative analysis, computer ap-

plications and business management. The immediate objective of the tax program is not only to foster knowledge and the development of professional skills, but to also create a firm foundation for the understanding of current federal and local legislative activity, an understanding of the relationship of tax policy to questions surrounding current federal and local fiscal problems and to develop comprehension of the role of taxation in the decision-making process of business organizations. In addition, strong emphasis is placed upon tax research methods in the resolution of day-to-day questions and the prescribed procedures involved in dealing with the representatives of the Internal Revenue Service.

The MBA program in taxation may be taken on a full-time or part-time basis. Usually full-time students may complete the degree requirements during 1½ to 2 years of study, while part-time students will of necessity be matriculated for longer periods. As part of the degree requirements, tax majors must complete six semester courses (18 credits) of basic and advanced taxation courses and 5 elective courses (15 credits) in other fields.

For those who have previously completed a master's degree, the Graduate School offers an Advanced Professional Certificate (APC) with a module in taxation, the course of study depending

upon the student's prior professional experience and personal requirements and goals. The successful completion of five approved courses in federal taxation (15 points) is required.

The tax programs offered have been found to be attractive to accountants, lawyers, government officials and those engaged in corporate finance and fiscal management. The MBA program is particularly attractive to those who possess an undergraduate degree in accounting. Applicants for the MBA degree must possess an undergraduate degree, and must submit their GMAT score as part of their application for admission.

The listed course offerings shown below (see Table A) are periodically reviewed and kept current by the incorporation of the provisions of newly enacted tax legislation. The content is subject to the overall review and suggestions of an advisory board whose members are some of the leading professional tax practitioners in the New York metropolitan area.

Information concerning the tax program at the Graduate School of Business Administration at New York University may be obtained by writing the Director of Admissions or Professor Herman Clurman, Director of Taxation and Business Law, 100 Trinity Place, New York, New York 10006.

Table A — Tax Course Offerings — N.Y.U., MBA and APC

No.	Course Name
B95.2301	Fundamentals of Federal Income Taxation I (Individuals)
B95.2302	Fundamentals of Federal Income Taxation II (Corporations)
B95.2310	Tax Planning for Management (for nontax majors)
B95.3314	Federal Estate and Gift Taxation
B95.3315	Executive Compensation; Pension and Profit-Sharing Plans
B95.3316	Tax Problems of Partnerships and Partners
B95.3333	Tax Problems of Corporate Reorganizations
B95.3334	Tax Problems of Consolidated Returns and Affiliates
B95.3335	Federal Tax Practice, Procedures and Research Methods
B95.3343	Tax Aspects of International Business
B95.3495-96	MBA Project — Taxation
B98.3495-96	MBA Thesis — Taxation



## Profile

ATA's vice president is a graduate student in the New York University L.L.M. program. That somewhat startling fact is just one of many activities that keeps Lyle Petit on the go as he and ATA enter a new decade.



Lyle Petit's present position with Peat, Marwick, Mitchell & Co. is Partner-in-Charge, Firm and Partner Tax Matters. Throughout his career with PMM & Co., Lyle has concentrated his professional efforts in the tax area. As a graduate of the University of Missouri (B.S. in Business Administration and L.L.B.), Lyle's professional journey started with PMM's St. Louis office. While there he was responsible for a variety of activities including insurance, tax exempt organization, general corporate and commercial tax clients.

A move from the "Big Arch" city occurred in the middle 1970's. The relocation placed Lyle in the city known as the "Big Apple" and in position as PMM's Director of Tax Training Programs. He held that position until 1978 when he assumed his present responsibilities.

While in New York Lyle has served as Treasurer and Elder of Westminster Presbyterian Church as well as being a member of the AICPA's Federal Tax Division. When not pursuing his law studies at NYU, Lyle lists his outside interests as foreign travel and gardening.

The Tax Course Syllabi Committee will meet for a conference in St. Louis on March 14-15, 1980, to develop course syllabi for the first and second undergraduate tax courses. The meeting is funded by a grant from The Touche Ross & Co. Foundation. Persons interested in contributing recommendations for the committee's consideration should contact Professor Kenneth H. Heller, Chairperson, School of Accounting, University of Georgia, Athens, Georgia 30602.

## Comments Requested on ATA Journal

Last summer the ATA appointed a committee to evaluate their new publication, the *Journal*

of the American Taxation Association (JATA), and to make recommendations on whether the JATA should continue to be published. The first two issues of JATA have now been published. At this time the committee would appreciate hearing from members of the ATA about your opinion of the quality and content of the first two issues of JATA as well as your opinion about the need for such a publication. Any comment which you make will be carefully considered by the committee. Please address your comments to:

Dr. Sandra S. Kramer  
School of Accounting  
210 Bryan Hall  
University of Florida  
Gainesville, Florida 32611

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Reference Guide" the students are also able to peruse a different perspective of the material in each Sommerfeld, et al., chapter without getting mixed in a quicksand of detail.

"Excessive" detail is easy to achieve even in the first tax course. In my estimation, even this "conceptual" text covers 90% of the tax material on the C.P.A. exam. I believe this text provides the best aid (currently available) for initially educating tax accounting students, not for exams, but for life.

Kevin Misiewicz  
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