

American Taxation Association

Robert L. Gardner, Editor
School of Accountancy
Brigham Young University
Provo, UT 84602

Volume 22, Summer 1989

President's Letter by Jane O. Burns

Thank you. It's really terrific that so many of you have contributed so much to help make our 1988-89 ATA activities better and the organization even stronger. Course, this dedication by members is just a continuation of a long history of unselfish work. You are what makes membership in ATA and AAA so great!



Several of the 1988-89 committees are putting the final touches on their work. The worst part right now about being president is that committee chairs are calling with exciting information but swearing me to secrecy! The three awards committee chairs build excitement by making their surprise announcements at the ATA luncheon on Monday, August 14 in the Hilton Hawaiian Village Coral Ballroom 2. Julie Collins (ATA Manuscript Award Committee Chair), Ed Schnee (ATA/Ernst & Whinney Tax Student Manuscript Award Committee Chair), and Chuck Swenson (ATA/Price Waterhouse Doctoral Dissertation Award Committee Chair) tell me that committee members had a difficult time making their selections since the high quality of submissions or nominations made the competition stiff. A fourth luncheon presentation will be made by Arthur Young for the outstanding publication resulting from their Tax Research Grant Program.

We also are pleased to announce that we have an outstanding luncheon speaker, Senator S. M. Matsunaga, who has extensive tax experience as a member of the Finance Committee as well as the Joint Committee on Taxation. Karen Hreha's Annual Program Committee is to be commended for this excellent choice. Details of the ATA program in Hawaii appear elsewhere in this issue. Karen promises us five tax sessions: three technical tax research paper sessions entitled Empirical Tax Research, New Methodologies in Tax Research, and Doctoral Research in Taxation; one panel with the title of Personal Financial Planning--New Opportunities for Accounting and Tax Professionals; and a co-sponsored AAA session on tax education. These sessions are so promising that they should more than offset the beckoning

of the ocean waves and beautiful Hawaiian scenery.

The ATA Business Meeting immediately precedes the luncheon and will be at 10:15 a.m. in the Hilton's Coral Ballroom 3. It will feature final reports by 1988-89 officers and committee chairs and Gene Seago, President-Elect, will provide you with an introduction to the 1989-90 ATA activities. Michael Moore will present the Nominating Committee's recommendations for President-Elect, Vice President, Secretary/Treasurer, JATA Editor-Elect, and Board of Trustees. Silvia Madeo, JATA Editor, will announce the 1989-90 Associate Editors. As is appropriate, the 1988-89 officers and chairs will drift into the background while the new energetic elected and appointed officials rally ATA to a new year and new challenges.

The Membership Committee (Debra White, Chair) has arranged to have ATA flyers inserted in the AAA conference packets for each registrant. The Committee has sent letters to numerous tax academicians and to members of Big 8 tax and personnel departments. The most recent report from AAA shows ATA with 1,280 members. Four sections now have more than 1,000 members: Auditing, 1,641; Management, 1,540, and International, 1,157.

AAA, ATA, and many other AAA sections are seeking to increase membership among nonacademicians. Two themes are commonly argued: there is considerable benefit to be obtained by nonacademic members and they have a responsibility to AAA and its sections just as many non-practicing CPAs belong to and participate in state CPA societies, the AICPA, and the AICPA's Tax Division.

The Practitioner Interest Committee (Caroline Strobel, Chair) has gathered considerable information about ATA activities (present and proposed) that would be of interest to practitioners. (For example, Sally Jones' Tax Policy Research Oversight Committee is of definite interest to practitioners as well as to academicians.) Committee members have sought to expose more people to ATA through questionnaires and cooperation with the AICPA Tax Division.

The Committee on Tax Policy and Relations with the IRS (Cherie O'Neil, Chair) also has concentrated on expanding our reputation and, hopefully, influence with related organizations, including the

IRS and the AICPA.

The Committee on AAA Regional Programs (Karen Fortin, Chair) has completed its regional meetings work. Preliminary reports are excellent. This committee and the Membership Committee cooperated on many promotional activities.

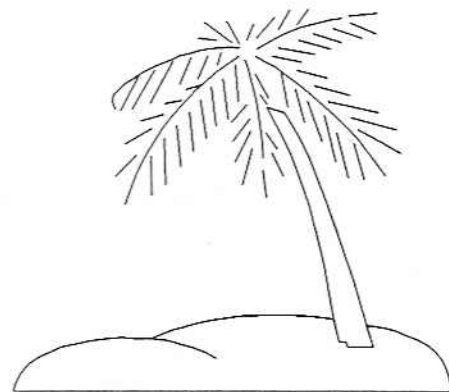
Other committees are preparing materials for the use of ATA members. Announcements from the Committee on Computer Usage (Bob Michaelsen, Chair) and Research Committee (Susan Nordhauser, Chair) will provide you with more information as the work nears completion.

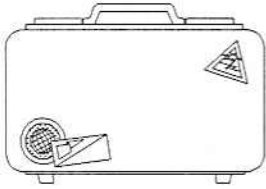
The Publications Committee (Jack Kramer, Chair) has been quite involved with policy issues for JATA and the ATA Newsletter. This committee fills an important role with our publications.

The Committee on International Taxation Issues (Ed Outslay, Chair) is researching several extremely important issues. Expectations are that these completed reports will have an impact on international tax thinking.

Please join us in Hawaii. We really believe you will enjoy the sessions, luncheon, business meeting, and seeing good friends and meeting new ones.

Unfortunately, it is not possible for me to personally thank all of you who have contributed so much to ATA throughout our fifteen year history, and those of you who have helped make my year of presidency a fun one. But, I'll probably try, even if it takes another fifteen years! Thank you for allowing me the opportunity to be your president. Aloha.





American Taxation Association Program
American Accounting Association Annual Convention

Hawaii, August, 1989



Monday, August 14

10:15 to 11:45 ATA Section Business Meeting
12:00 to 1:30 ATA Luncheon Speaker: Senator S.
M. Matsunaga, Member of
Senate Finance and Joint
Committee of Taxation

1:45 to 3:15 New Methodologies in Tax Research
Moderator: Beth B. Kern, University
of Notre Dame
"Surface and Structural Similarity,
Professional Expertise and the Use
of Analogy in Tax Problem Solving"
Gary Marchant, John Robinson, Urton
Anderson, and Michael Schadewald
- University of Texas-Austin

"Charitable Contributions After Tax
Reform" Cherie O'Neil and G.
Rodney Thompson--Virginia
Polytechnic Institute and State
University

"The Economic Determinants of
Taxpayer Aggressiveness:
Experimental Evidence" Paul Beck,
Jon Davis, and Woon-oh Jung--
University of Illinois at Urbana-
Champaign

3:30 to 5:00 Empirical Tax Research
Moderator: Dave N. Stewart,
Brigham Young University
"Toward a Descriptive Theory of the
Valuation of Closely-Held Firms Using
Comparative Appraisal" Marian
Powers--University of Illinois-Chicago
and Donald Shannon-- DePaul
University

"Corporate Income Taxation and the
Reversion of Excess Pension Assets"
Greg Clinch--Wharton School,
University of Pennsylvania and Toshi
Shibano--University of California-
Berkeley

"Normative Economic Objectives, the
Political Process and the Tax Reform
Act of 1986: An Empirical Analysis"

Darryl Craig--
University of Wisconsin-Milwaukee
and Charles Enis-- Pennsylvania State
University

Tuesday, August 15

10:15 to 11:45 Personal Financial Planning: New
Opportunities for Accounting and Tax
Professionals
Moderator: Stewart S. Karlinsky, San
Jose State University

Panelists:

John Graves--American Institute of
Certified Public Accountants
Charles Kowal--Ernst & Whinney
Anthony Krzystofik--University of
Massachusetts
Kevin Misiewicz--University of Notre
Dame
Curtis Verschoor--DePaul University

3:30 to 5:00 Flow-through Entities Committee
3:30 to 5:00 Tax Accounting Committee

Wednesday, August 16

3:15 to 5:15 Corporation Committee
3:15 to 5:15 Family Tax Planning Committee
3:15 to 5:15 International Committee

3:30 to 5:00 Doctoral Research in Taxation
Moderator: Tom Omer, University of
Illinois at Urbana-Champaign
"The Effect of the Alternative Minimum
Tax Book Income Adjustment on
Accruals" Jeffrey Gramlich--University
of Hawaii-Manoa

"Decomposing the Firm Size and the
Tax Rate Relation to Assess Large
Firms' Political Success" Shiing-Wu
Wang--University of Arizona

"Factors in the Noncompliance
Decision: An Analysis of Michigan
Tax Amnesty Participants" James
Young--Michigan State University

NOTICES

New Faculty at SJSU

San Jose State University would like to welcome Bobbie Martindale who will be joining us as an associate professor with research and teaching interests in taxation. Bobbie is currently completing her degree at the University of North Texas and plans to arrive in San Jose for the Spring 1990 semester.



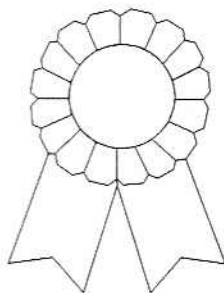
5th Annual High Technology Tax Institute

Plans are now being made for the 5th Annual High Technology Tax Institute to be held on October 26 and 27, 1989 at the Santa Clara Marriott Hotel. Tax Executives Institute (TEI) and San Jose State University will hold a two-day institute on the tax aspects of high technology industries. Some of the topics to be discussed will include: Corporate AMT, Section 89, R&D Regulations, and current developments in the international tax arena. For further information contact: Dr. Stewart Karlinsky, Director of Graduate Tax Programs, San Jose State University, School of Business, One Washington Square, San Jose, California 95192-0066. Telephone: (408) 924-3460.

Do You Remember?

Past winners of the ATA Manuscript Award are as follows:

1987-88 *Suzanne Luttmann*
1986-87 *Steven J. Crowell*
1985-86 *Wayne W. Shaw*
1984-85 *Valerie C. Milliron*
1983-84 *Carol Olson*
1982-83 *Kenneth E. Anderson*
1981-82 *Barbara A. Ostrowski*
1980-81 *Steven T. Limberg*



(Submitted by Julie H. Collins, Chair, ATA Tax Manuscript Award Committee)

Price Waterhouse Case Studies in Tax

On March 20, 1989, Price Waterhouse announced the launching of the first Case Study Program in Tax for graduates and undergraduates in tax courses across the country. The case studies provide tax educators and students with "true-to-life" business situations based on Price Waterhouse client experiences. The program is a collaborative effort between Price Waterhouse tax practitioners and Dr. Sally Morrow Jones, Professor of Accounting at the University of Texas in Austin and consulting editor of the case study workbooks. The Case Study Program in Tax is sponsored by the Price Waterhouse Foundation. For more information, contact:

Mr. W. Stanton Smith
Price Waterhouse
1251 Avenue of the Americas
New York, NY 10020
(212) 489-8900



Stan Smith of Price Waterhouse and Sally Jones of the University of Texas-Austin review a new tax case study program for graduates and undergraduates.

IRS Research Conference

As Director of the IRS's Research Division, I was very pleased when Cherie O'Neil suggested publicizing some of our activities in your newsletter. Since 1983, IRS has sponsored annual research conferences to disseminate the results of tax administration research performed by academic and other private organizations and the IRS, as well as to improve relationships with academic researchers, tax practitioners, and state tax administrators.

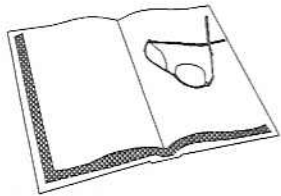


The theme for the 1989 conference is "The Impact of the Tax Reform Act of 1986: Did It Improve Fairness and Simplicity?" The conference will be held November 16-17, 1989 in the IRS Auditorium, Washington, D.C.

The theme for the 1990 research conference is "How Do We Affect Taxpayer Behavior? -- The Case for Positive Incentives, Assistance or Enforcement."

ATA members who would like to present a paper at the 1989 or 1990 IRS conference or simply to attend should contact Joseph R. Weikel, Conference Coordinator, IRS Research Division, PFR:R:CM, 1111 Constitution Avenue, N.W., Washington, DC 20224, telephone (202) 376-0210.

(Submitted by Cheri O'Neil, Chair, Committee on Tax Policy and Relations With the IRS and R. L. Plate, Director IRS Research Division)



National Academy of Sciences Report

In June 1989, the National Academy of Sciences report, **Tax Compliance Volume I - An Agenda for Research**, was published. This report, sponsored by the IRS, was prepared by a multi

disciplinary panel of academic researchers. It explores what is known about individual tax reporting compliance and future research implications. It was printed by the Pennsylvania Press and can be purchased by calling them at (301) 338-6948.

(Submitted by R. L. Plate, Director, IRS Research Division)

New ATA Newsletter Editor

Barry Arlinghaus has been appointed as the 1989-90 ATA Newsletter Editor. Notices and information should be sent to him at:

Barry Arlinghaus
317 Laws
School of Business
Miami University
Oxford, OH 45056
(513) 529-6216



The deadline for submission of information for the Fall issue 1989 is October 1.

American Taxation Association
5717 Bessie Drive
Sarasota, FL 34233

Non-profit Organization
U.S. Postage
PAID
PERMIT NO. 169
Sarasota, Florida

SILVIA MADED
UNIV OF MISSOURI/SCHOOL OF BUS
8001 NATURAL BRIDGE ROAD
ST LOUIS MO 63121-4499