

AMERICAN TAXATION ASSOCIATION

The Tax Section of the American Accounting Association

2003

Midyear Meeting and JATA Conference



St. Petersburg

Hilton St. Petersburg

February 28-March 1, 2003

**Sponsored by:
The KPMG Foundation**

Message from President Beth Kern

Welcome to warm weather and St. Petersburg! For many of us, the ATA Midyear Meeting has become the highlight of the academic year and this year's program promises to meet and exceed expectations. We would like to especially welcome our new faculty and doctoral students. We hope that you enjoy the diversity of sessions and meeting your future colleagues. Involvement in ATA meetings and committees can be a very rewarding experience, and we hope you will consider becoming an active member in the ATA. On Saturday morning we have a special breakfast planned for you and hope you enjoy meeting many new colleagues. I would like to thank Yvonne Hinson and the New Faculty Concerns Committee for organizing this breakfast.

Amy Dunbar and the Midyear Program Committee have put together an outstanding program centered on this year's theme of "Extending our Scholarship Beyond the University." The program is filled with a diverse array of stimulating sessions bringing in scholars from outside our "home" discipline as well as noted experts from practice. One of the many highlights is late Friday afternoon's blockbuster panel offering a multi-dimensional view of tax shelters. The program's array of research, teaching, and professional development sessions will force you to make difficult choices from Friday morning's early start with KPMG-sponsored CPE to Saturday's closing concurrent sessions.

John Robinson and the *JATA* Conference Committee have selected an exciting set of papers followed by thought-provoking discussants. Congratulations go to the authors, and a special thank you goes to the discussants as well as the Conference Committee for their important contributions toward making the *JATA* Conference the success it is. For those of you planning on attending the Conference, please note that it begins a few hours earlier than it has in the past.

Special thanks go to KPMG, LLP for the multiple ways they support the ATA. Their generous funding supports the *JATA Supplement* and the Midyear Meeting. For several years, they have provided experts from their firm to provide us with our Friday morning CPE sessions. Please extend your thanks to Gillian Spooner and the other representatives that you meet here.

Many thanks go to the numerous individuals who have contributed toward making this meeting a great success. We hope you have a wonderful time enjoying and exploring St. Petersburg.

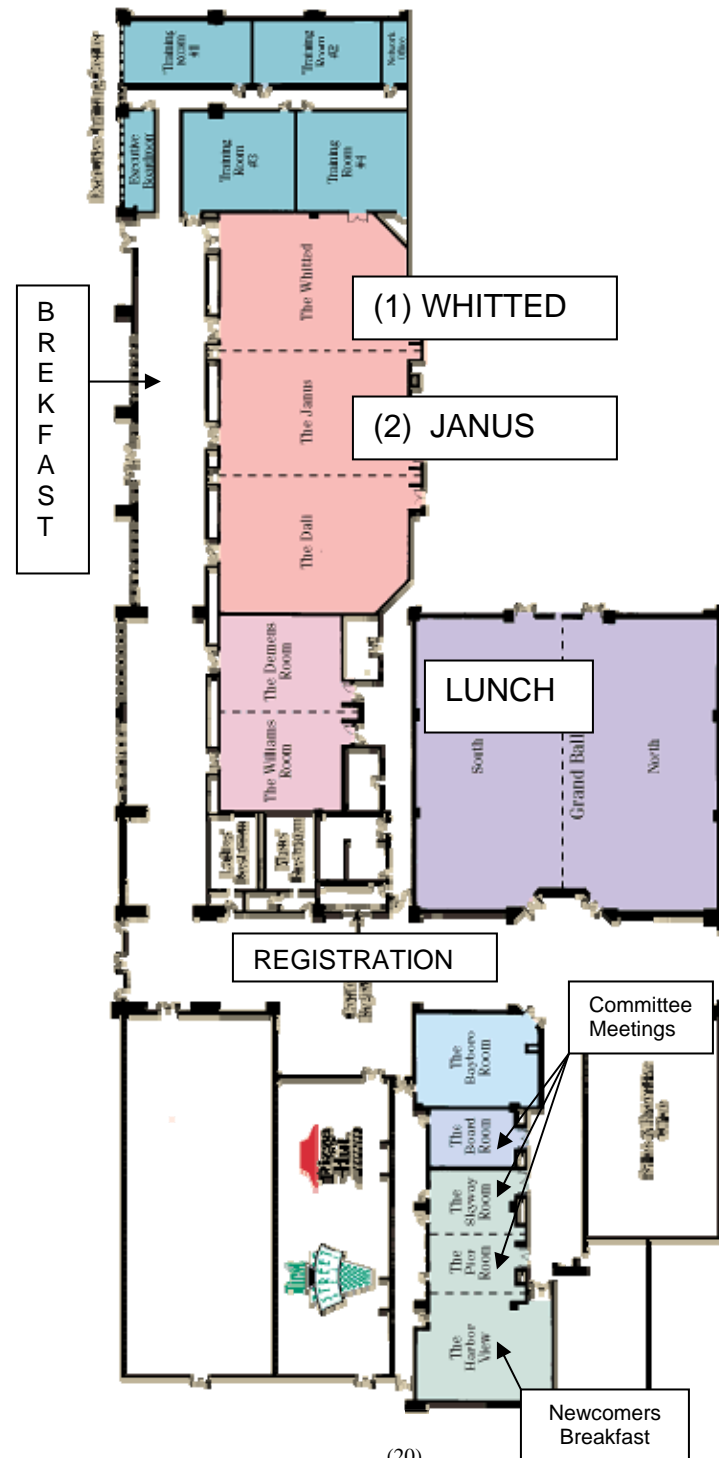


2003 ATA Midyear Meeting Program Committee

- Robert Halperin, Illinois (rhalperi@uiuc.edu)
- Zite Hutton, Western Washington (zite.hutton@wwu.edu)
- Lil Mills, Arizona (lmills@u.arizona.edu)
- Linda Nelsestuen, New Orleans (lnelsest@uno.edu)
- Nancy Nichols, James Madison (nicholnb@jmu.edu)
- Sarah Nutter, George Mason (snutter@gmu.edu)
- John Phillips, Connecticut (john.phillips@business.uconn.edu)
- Shelley Rhoades-Catanach, Villanova (srhoades@po.villanova.edu)
- Robert Ricketts, Texas Tech (odrcr@ttacs.ttu.edu)
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- Gillian Spooner (advisory) (gspooner@kpmg.com)
- Jon Davis (advisory) Wisconsin (jdavis@bus.wisc.edu)
- Marty Escoffier (advisory), Florida International (escoffm@fiu.edu)
- Yvonne Hinson (advisory), Wake Forest (hisonyl@wfu.edu)
- Peggy Hite (advisory), Indiana (hitep@indiana.edu)
- Stewart Karlinsky (advisory), San Jose State (karlinsky_s@cob.sjsu.edu)
- Tom Omer (advisory), Illinois (tcomer@uic.edu)
- John Robinson (advisory), Texas-Austin (j.r.robinson@mail.utexas.edu)
- Tim Rupert (advisory), Northeastern (t.rupert@neu.edu)
- Beth Kern (president), Indiana University-South Bend (bkern@iusb.edu)
- Amy Dunbar (chair), Connecticut (amy.dunbar@business.uconn.edu)

Please address your questions or comments regarding this meeting to the committee member responsible for the session or contact the committee chair.

Hilton Conference Room Layout



2003 Midyear Meeting and JATA Conference
Extending our Scholarship Beyond the University

OVERVIEW OF CONFERENCE

Friday, February 28, 2003

7:00 – 10:00 a.m. **Board of Trustees Meeting** -Bayview Room – 15th floor
7:30 – 8:30 a.m. **Continental Breakfast** - Lobby III
7:30 – 6:30 p.m. **Publisher Exhibits** -Lobby III

(1) Legal CPE Sessions

8:00 – 9:00 a.m. **LLCs**
9:00 – 10:00 a.m. **Advance Pricing Agreements (APAs)**

(2) Technology CPE Sessions

8:00 – 10:00 a.m. **Distance Learning**
10:30 – 12:30 p.m. **Enhancing Teaching with Technology**

(1) NINTH ANNUAL JATA CONFERENCE

10:30 – 12:30 pm **Session I**
1:30 – 3:30 pm **Session II**

12:15 – 1:30 p.m. **Luncheon** - Ballroom

(2) ATA MIDYEAR MEETING

1:30 – 3:30 pm **Legal Scholarship**
4:00 – 6:00 pm **Tax Shelter Panel**

6:30 – 8:00 p.m. **Reception** - Ballroom

Saturday, March 1, 2003

7:30 – 8:30 a.m. **Continental Breakfast** - Lobby III
7:30 – 8:30 a.m. **Newcomers Breakfast** - Harbor View
7:30 – 5:00 p.m. **Publisher Exhibits** -Lobby III

Concurrent Sessions

8:30 – 10:00 am (1) **Research by New Tax Faculty**
(2) **Internship/ Sabbatical Opportunities**
10:30 – noon (1) **IRS Research**
(2) **The Changing CPA Exam: Are Your Students Prepared?**

12:00 – 1:30 p.m. **Luncheon** - Ballroom

1:30 – 3:00 pm (1) **Education Research: Ideas, Opportunities and Venues**
(2) **Teaching Tax in Graduate Programs**
3:30 – 5:00 pm (1) **The Stock Option Deduction**
(2) **Using Images and Animations in Teaching**

(1) =Whitted Room (See hotel layout on page 20.)

(2) = Janus Room

Friday, February 28, 2003

All sessions will take place on the main floor of the St. Petersburg Hilton.

7:00 – 10:00 a.m. **Board of Trustees Meeting**

Bayview 15th floor

7:30 a.m.

Registration Opens

7:30-8:30 a.m.

Continental Breakfast

Lobby III

7:30 a.m.-6:30 p.m. **Publisher Exhibits**

Lobby III

Committee Member: Nancy Nichols (James Madison)

ARC Publishing Company

• Jan Tiefel: arcpub@worldnet.att.net

BNA/Tax Management, Inc.

• Sandy Mackall: SMackall@bna.com

McGraw-Hill/Irwin

• Steve Delancey: steve_delancey@mcgraw-hill.com

Prentice Hall

• Alana Bradley: alana.bradley@pearsoned.com

• Julie Morel: julie.morel@pearsoned.com

South-Western, Thomson Learning

• Craig Avery: craig.avery@thomsonlearning.com

• Carol Bennett: carol.bennett@thomsonlearning.com

• Jennifer Codner: jennifer.codner@thomsonlearning.com

Please welcome the PhD students who are attending our meeting.

Julia M Brennan

Univ of Kentucky

S. Maureen H. Bruce

Univ of Wisconsin-Madison

Courtney H Edwards

Univ of North Carolina-Chapel Hill

Neil Edwards

spouse

Robert Gary

Arizona State Univ-Tempe

Shane Heitzman

Univ of Arizona-Tucson

Jennifer Kahle

Univ of South Carolina-Columbia

Jared Moore

Arizona State Univ-Tempe

Jane Mosebach

Univ of Arkansas

Garth Novack

Univ of Arizona-Tucson

Wendy W. Peffley

Virginia Commonwealth Univ

Teresa Stephenson

Univ of Kentucky

Stacy Wade

Univ of Kentucky

Timothy Yoder

Penn State Univ-Univ Park

SungWook Yoon

Univ of Colorado

Jill Zuber

Univ of Arkansas

CPE SESSIONS

8:00-9:00 a.m. **LLCs**
Whitted Christopher Kelley, KPMG, and Lee Kelley, KPMG

9:00-10:00 a.m. **Advance Pricing Agreements (APAs)**
Whitted Alan Alford, KPMG

Speaker Profiles

Alan Alford, KPMG Manager, New York, has consulted on transfer pricing and other economic analyses for clients seeking APA rulings with U.S. and foreign tax authorities. This includes bilateral APAs between the US and Japan in the semiconductor industry. Prior to joining KPMG, Alford taught and conducted research in the area of international finance for several universities worldwide.

Christopher Kelley, KPMG Senior Manager, specializes in the federal taxation of partnerships. Prior to joining KPMG's Washington National Tax Practice, he worked in the Office of Chief Counsel at the Internal Revenue Service, where he worked extensively on regulations and rulings regarding the taxation of partnerships and S corporations.

Lee Kelley is a KPMG Senior Manager in the Washington National Tax Practice. She specializes in the federal taxation of corporations and their shareholders. Prior to joining KPMG, Lee worked in the Office of Chief Counsel at the Internal Revenue Service, where she worked extensively on regulations and private letter rulings regarding the taxation of corporations and their shareholders.

8:00-10:00 a.m. **Distance Learning**
Janus John Phillips will show how UConn's graduate tax classes are taught online.

10:00-10:30 a.m. Refreshment Break – Lobby III

10:30-12:30 p.m. **Enhancing Teaching with Technology**
Janus Richard Newmark will demonstrate technology tools he uses in classroom teaching, including an online tax research library and discussion forums to create teams for tax return assignments. See his class at phduh.com/unc/baac428/.

Steve Thompson will show how he uses Flash, client-side technology (e.g., Javascripting and HTML), and server-side technology (e.g., Active Server Pages) to make distance-learning as effective as a "direct-delivery."

Speaker Profiles

Richard Newmark is an assistant professor at the University of Northern Colorado. He has embraced the AICPA Model Tax Curriculum in his courses. In addition, he has volunteered to teach AIS beginning Spring 2004. His paper is "This Is Not Your Father's Introductory Tax Course," which can be downloaded at www.atasection.org/newmark.pdf, provides his teaching methods.

John Phillips is an assistant professor at the University of Connecticut. He has published in *The Accounting Review* and the *Journal of the American Taxation Association*. In addition to teaching the undergraduate introductory tax class to live students, John has taught an online master's level course, Advanced Corporate Taxation, the past two summers.

Steven Thompson is a professor at Florida Gulf Coast University, America's newest State University. He is currently the Director of the Graduate Tax Program at FGCU and Steve specializes in teaching graduate tax courses through various modes of distance learning. Steve has been the lead lecturer for the past 20 years on partnership and consolidated tax return issues for the AICPA at their summer tax camp. He is presently the webmaster for the American Taxation Association.

The Journal of the American Taxation Association

Ninth Annual Tax Research Conference

Moderator: John Robinson (Texas–Austin)

10:30-12:30 p.m. **SESSION I**
Whitted **The effect of state income tax apportionment and tax incentives on new capital expenditures**

Sanjay Gupta (Arizona State)
Mary Ann Hofmann (Andrews) (presenter)

Discussant: Sonja Olhofs Rego (Iowa)

The effects of source credibility on tax professional judgment in consulting engagements
Raquel Meyer Alexander (North Carolina at Wilmington)

Discussant: Anne M. Magro (Oklahoma)

12:15-1:30 p.m. **Lunch**

1:30-3:30 p.m. **SESSION II**
Whitted

Valuation of a firm with a tax loss carryover
Anja De Waegenare (Tilburg)
Richard Sansing (Dartmouth) (presenter)
Jacco L. Wielhouwer (Tilburg)

Discussant: Shelley Rhoades-Catanach (Villanova)

Firm valuation effects of the expatriation of US corporations to tax haven countries
C. Bryan Cloyd (Illinois at Urbana-Champaign)
Lillian F. Mills (Arizona)
Connie D. Weaver (Texas at Austin) (presenter)

Discussant: Ira Weiss (Columbia)

Papers for the JATA Conference were reviewed by the following:

2003 JATA Conference Organizing Committee:

John Robinson, University of Texas at Austin, Chair; Bryan Cloyd, University of Illinois at Champaign-Urbana; Merle Erickson, University of Chicago; Bin Ke, Penn State University; Ann Magro, University of Oklahoma; Sue Porter, University of Massachusetts; Sonja Olhofs Rego, University of Iowa

2003 JATA Ad Hoc Referees:

Ben Ayers, University of Georgia; Sandra R. Callaghan, Texas Christian University; Andrew D. Cuccia, University of Oklahoma; Peter J. Frischmann, Idaho State University; Steven J. Kachelmeier, University of Texas at Austin; Linda Krull, University of Texas at Austin; Craig Lefanowicz, University of Indiana at Indianapolis; Michael Mikhail, Duke University; Shelley Rhoades-Catanach, Villanova University; Jim A. Seida, Notre Dame University; Brian C. Spilker, Brigham Young University; Ira Weiss, Columbia University; Kristina Zvinakis, The Ohio State University

Call for Papers
2004 JATA Conference

The tenth *Journal of the American Taxation Association* Conference will be held in conjunction with the ATA's Midyear Meeting in February 2004. Papers addressing interesting and relevant tax issues will be considered for the conference. All research methodologies (including, but not limited to, archival/empirical, analytical, behavioral, experimental, and field studies) will be considered. Papers selected for the conference will be published in a supplemental issue of the *Journal of the American Taxation Association*. Conference papers will be made available to conference participants in advance of the midyear meeting through the ATA web site. Papers not accepted for the conference can be considered for publication in the journal through the normal review process at the option of the authors.

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

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

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

Jata@bus.utexas.edu

Please indicate in the email that the paper is submitted to the Conference. To be considered, papers must be received no later than **October 1, 2003**. Contact Professor Robinson Phone: (512.471.5315) if file compatibility or electronic submission presents a problem.

John Robinson, Editor
Journal of the American Taxation Association
McCombs School of Business
The University of Texas at Austin
1 University Station B6400
Austin, TX 78712-0211

12:15-1:30 p.m. **Luncheon**

Ballroom

Yvonne Hinson, chair of the New Faculty Concerns Committee, will introduce our new tax faculty from 2001/2002.

New faculty - 2002

Lawrence Bajor (Larry) earned his Ph.D. from Michigan State and accepted a position at Bowling Green State University. His dissertation is titled "FAS 109 In the IPO Environment." His research explores the use of the valuation allowance in recent IPOs. He teaches corporate tax, tax research, and financial accounting. (www.cba.bgsu.edu/amis/html/bajor.html)

Diana Falsetta earned her PhD from the University of South Carolina and accepted a position at Northeastern University. Her dissertation is titled "The Impact of Income Tax Withholding and Stock Position on the Sale of Stock. Diana's primary research interests are in taxpayer judgment and decision making and capital gains tax policy. Her primary teaching interests include income taxation and financial accounting. (web.cba.neu.edu/htbin/pbprofile?username=dfalsetta)

Michelle Hanlon earned her Ph.D. from the University of Washington and accepted a position at the University of Michigan. Her dissertation is titled, "The Persistence of Earnings, Accruals and Cash Flows when Firms Have Large Book-Tax Differences." She teaches intermediate accounting. See Michelle in action in the Stock Option session on Saturday afternoon. (webuser.bus.umich.edu/departments/accounting/faculty/hanloncont.html)

Mary Ann Hofmann earned her Ph.D. from Arizona State University and accepted a position at Andrews University. Her dissertation is titled "The Unrelated Business Income Tax and Cost Shifting by Certain Exempt Membership Organizations." She has taught Intermediate Accounting I & II, Individual Income Tax, Tax Research, Advanced Accounting, Cost/Managerial Accounting, and Accounting and Finance for Managers (an MBA class). (www.andrews.edu/SBA/FacultyInfo.htm)

Jacco L Wielhouwer earned his Ph.D. from Tilburg University, the Netherlands, where he accepted a position. (www.kub.nl/webwijs/show.html?anr=337285&lang=en) Jacco is a coauthor with Richard Sansing on a paper accepted for the JATA Conference.

New faculty - 2001

Sharon Cox earned her PhD from the University of Kentucky and accepted a position at the University of Hawaii at Manoa in 2001. Her research interests include tax treatment of electronic commerce and tax revenue/compliance issues. She has taught Introduction to Financial Accounting, Federal Individual Income Taxation, and Managerial Accounting. (www.hawaii.edu/soa/cox.html)

Linda Krull earned her Ph.D. from the University of Arizona and accepted a position at the University of Texas at Austin in 2001. Current research projects include "Effect of Earnings Management Incentives on the Valuation of Taxes on Permanently Reinvested Earnings," "Relation Between the Permanently Reinvested Earnings, Repatriation Taxes, and Earnings Management Incentives of Multinationals." She teaches Introduction to Taxation. (www.bus.utexas.edu/dept/accounting/faculty/lk2.html)

Katrina Mantzke (Kate) earned her Ph.D. from the University of Wisconsin at Madison and accepted a position at Northern Illinois University in 2001. Her research focuses on corporate income tax planning and the use of tax incentives for economic development. She teaches taxation courses in NIU's undergraduate and graduate programs. (www.cob.niu.edu/acccy/mantzke.html)

Tracy Noga earned her Ph.D. from Texas Tech University in 2001 and accepted a position at Suffolk University. Her research interests include archival and empirical tax research including the economic, financial market and taxpayer response to tax policy change. She teaches Accounting for Decision Making and Issues in Federal Taxation. (www.suffolkacct.org/tnoga/)

Please welcome those who are attending our meeting for the first time.

Susan Albring is an assistant professor at Syracuse University. She earned her Ph.D. from the University of Arizona. Her research interests are in the effects of taxation on capital structure decisions for multinational firms. Her teaching interests are in the areas of taxation and financial accounting.

Jesse Boyles is an associate professor at the University of Florida. He teaches federal income taxation in the undergraduate and graduate curriculum. His research focuses on jurisprudence, and he has published numerous articles in various law reviews and tax specialty publications. Boyles has co-authored two editions of an American Accounting Association monograph and is also heavily involved with student organizations.

Jeanne Haser-Lafond is an assistant professor at the University of Massachusetts at Dartmouth. She earned her JD in 1999 from Suffolk University Law School. She currently teaches Taxation I and II, Intermediate Accounting I and II, Principals of Accounting and Managerial Accounting. Jeanne received a teaching excellence award from Delta Mu Delta.

Kermit Keeling is an associate professor at Loyola College in Maryland. He earned his J.D. and L.L.M. from the University of Houston.

Stephen Kerr is a professor at Hendrix College. He teaches federal tax and management accounting.

Shigeru Nishizawa is a professor at Sophia University in Tokyo.

Lloyd Sage is a professor at Governors State University. He earned Ph.D. from the University of Nebraska, Lincoln, in 1984.

Mark Solomon is Professor and Chair, Taxation and Business Law Department, and the Director, Master of Science in Taxation Program at Walsh College in Michigan. He earned his J.D. and L.L.M from Georgetown University.

Randy Swad is professor at Cal State Fullerton. He earned his Ph.D. from LSU in 1979. He teaches federal income tax accounting and taxation of property transactions.

Holly Thomas is the SE Area Director, University Relations, for KPMG LLP in Atlanta, Georgia.



Kermit Keeling

Randy Swad



1:30-3:30 p.m.
Janus

Legal Scholarship

Moderator: Stu Karlinsky (San Jose State)

Gains on Sales of Qualified Small Business Stock

Cheryl T. Metrejean (Mississippi) (presenter)
Dan R. Ward (Louisiana at Lafayette)
Eddie Metrejean (Mississippi Ph.D. candidate)
Suzanne P. Ward (Louisiana at Lafayette)

Recent Tax Court Decisions Favor Family Limited Partnerships

Debbie Grace (CSU Long Beach) (presenter)
Michael Chase (CSU Long Beach)

The Rational Exuberance of Structuring Venture Capital Startups

Victor Fleischer (Columbia)

Panel Presenters: Joe Bankman (Stanford) and Victor Fleisher (Columbia)

Papers for this session were reviewed by

The ATA Legal Tax Research Committee:

Art Cassill (Elon), Mark Cowan (U.Conn Law School), Leonard Goodman (Rutgers), Deborah Grace (CSULB), David Jaeger (Northern Florida), Stewart Karlinsky (Chair) (SJSU), Francine Lipman (Chapman U.), Jay Soled (Rutgers), James Pratt (Houston), and Tina Quinn (Arkansas State).

3:30-4:00 p.m.

Refreshment Break

4:00-6:00 p.m. (2) Ethical Tax Shelters – An Oxymoron?

Whitted/Janus

Moderator: Jim Seida (Notre Dame)

Committee Member: Amy Dunbar (Connecticut)

Where do you draw the line when it comes to tax shelters? Joseph Bankman (Stanford), David Harris (Manager, IRS Office of Tax Shelter Analysis), and Robert Willens (Lehman Brothers) will be members of a panel discussing this issue.

Speaker Profiles

Joseph Bankman is the Ralph M. Parsons Professor of Law and Business at Stanford Law School. He is working on research involving the role of accountants in tax evasion. Recent publications dealing with tax shelters can be found at lawschool.Stanford.edu/faculty/bankman/. In particular, Bankman’s most recent paper, An Academic’s View of the Tax Shelter Battle, can be downloaded from the ATA website www.atasection.org/bankman-shelters.pdf. The paper is based on a talk he gave at Brookings in Washington in November, 2002, and will be published by them sometime soon. Other tax shelter publications include “The New Market for Corporate Tax Shelters,” Tax Notes, June 21, 1999 at 1775, and “The Economic Substance Doctrine,” 74 Southern California Law Review at 5 (November 2000).

David Harris is the Manager of the IRS’s Office of Tax Shelter Analysis (OTSA), where he has responsibility for implementing the Service’s tax shelter initiatives and improving tax administration for tax shelters. Dave started his IRS career as a Revenue Agent in 1973 and has over 27 years of experience with the Service, all related to tax law enforcement and compliance. Before coming to OTSA, he was Director of the Service’s Industry Specialization Program, where he had responsibility for coordination of the Technical Advisor program. Dave also held various other positions, including that of Branch Chief of the Coordinated Examination Program in Michigan and Director of the Office of Coordinated Examination Programs.

Robert Willens is a Managing Director in the Mergers and Acquisitions department at Lehman Brothers, Inc. in New York City, specializing in tax and accounting issues. Prior to joining Lehman Brothers in 1987, Mr. Willens was a tax partner-in-charge of the capital markets group at KPMG Peat Marwick, and he has participated in numerous transactions focusing on devising tax- and accounting-oriented solutions to business problems. Mr. Willens is a prolific author and has written Taxation of Corporate Capital Transactions as well as over 200 articles for various professional journals. Mr. Willens also serves on the Editorial Board of The Journal of Taxation of Investments and The Journal of Accountancy. Over the past 10 years Mr. Willens has been named to Institutional Investor’s “All American” Research Team and was cited as one of the 10 “most responsive” analysts on Wall Street in a 2000 poll. Mr. Willens is an adjunct professor of finance at Columbia University School of Business.

6:00-7:00 p.m. **Committee Meetings** (ATA NEEDS YOU! See p. 19.)

Room	Function	Chair
Janus	2003 Annual Meeting	Cyndi Vines
Janus	Education Research	Peggy Hite
Whitted	External Relations	Chris Bauman
Skyroom	Manuscript Award	Fran Ayres
Whitted	2004 Midyear Meeting	Mark Higgins
Whitted	Multi-state	Debra Callihan
Board	Nominations	Shirley Dennis-Escoffier
Pier	Publications	Gary McGill

6:30-8:00 p.m. **Reception**
Ballroom

Saturday, March 1, 2003

7:30-8:30 a.m. **Continental Breakfast**

7:30-8:30 a.m. **Newcomers Breakfast**

Sponsored by the **New Faculty Concerns Committee**: chair, Yvonne Hinson (Wake Forest), Cindy Blanthorne (University of North Carolina-Charlotte), Donna Bobek (University of Central Florida), James Hardin (Pittsburg State University), David Hulse (University of Kentucky), Linda Levy (University of Colorado-Denver), LeAnn Luna (University of North Carolina-Wilmington), Kristina Zvinakis (Ohio State University)

7:30-5:00 p.m. **Publisher Exhibits**

Concurrent Sessions

8:30-10:00 a.m. **(1) Research by New Tax Faculty**

Whitted

Moderator: Jon Davis (Wisconsin)

Committee Member: Robert Halperin (Illinois)

Determinants of the Taxable Activities of Nonprofit Organizations

Robert J. Yetman, University of Iowa

Discussant: Tom Omer (University of Illinois-Chicago)

Does the Advent of LLCs Explain Declining State Corporate Tax Revenues?

William Fox, University of Tennessee

LeAnn Luna, University of North Carolina-Wilmington

Presenter: LeAnn Luna (UNC-Wilmington)

Discussant: Sanjay Gupta (Arizona State University)

Papers for this session were reviewed by

The ATA Research Resources Committee:

Jon S. Davis (University of Wisconsin-Madison), Mike Calegari (Santa Clara University), Charles Enis (Penn State University), Pete Frischmann (Idaho State University), Richard Sansing (Dartmouth College), Ananth Seetharaman (Saint Louis University), and Wayne Shaw (Southern Methodist University).

8:30-10:00 a.m. **(2) Internship/ Sabbatical Opportunities**

Janus

Moderator: Roby Sawyers (North Carolina State)
Committee Member: Linda Nelsestuen (New Orleans)

Thomas Lee (tax partner with PwC), Scott McQuillan (Campus Recruiting Director for the Great Lakes Region of Deloitte & Touche), Gerald Padwe (Vice President - Taxation of the AICPA), and William Randolph (Director of the International Tax Division of the U.S. Treasury) will discuss internship and sabbatical opportunities. The purpose of this session is to open the door between ATA members and these organizations interested in a mutually beneficial experience.

Speaker Profiles

Thomas Lee is a tax partner with PwC in Tampa, Florida.

Scott McQuillan is a graduate of Central Michigan University, where he received a Bachelor of Arts degree in Human Resources as well as a Master's degree in Higher Education Administration. Scott joined Deloitte & Touche in July of 1998 as the Tax Campus Recruiting Manager for the Michigan Practice. Since joining D&T, Scott has worked in National Tax Campus Recruiting and currently is the Campus Recruiting Director for the Great Lakes Region. Prior to joining Deloitte and Touche, Scott worked in Higher Education and Advertising. Scott is a member of the American Taxation Association and serves on the Board of Trustees and is also an active volunteer with the Michigan Special Olympics, Make-a-Wish Foundation and Junior Achievement.

Gerald W. Padwe is Vice President-Taxation for the American Institute of Certified Public Accountants. Prior to joining the AICPA in July, 1992, Mr. Padwe's professional career was spent entirely with Deloitte & Touche. At the time he retired from the firm, he was Associate National Tax Director - Professional Practice, responsible for the professional and quality aspects of the Deloitte & Touche national tax practice. He was the recipient of the 2002 Arthur J. Dixon award, the highest honor given by the AICPA in the field of taxation.

William Randolph is an economist and Director of International Taxation in the Office of Tax Analysis at the U.S. Department of the Treasury. He has been with Treasury since 1988, except for a two-year appointment (1994-1995) in the Tax Analysis Division of the U.S. Congressional Budget Office. He is expert in many aspects of Federal income tax policy, both domestic and international. His research has focused on the effects of taxation on business and individual behavior, and has been published in numerous professional economics journals.

10:30-noon
Whitted

(1) IRS Research

Moderator: Pamela Smith (Texas – San Antonio)
Committee Members: Lil Mills (Arizona) and Sarah Nutter (George Mason)

Eric Toder, Director, Office of Research, and **Nick Greenia**, Statistics of Income, will discuss ongoing projects, areas of interest for future research, existing avenues for collaboration, and data confidentiality concerns. Greenia's paper, The Release of IRS Data: Challenges and New Approaches, can be downloaded www.atasection.org/greenia-soi.pdf. Other papers from the IRS Research Conference held in 2002 are available at www.irs.gov/taxstats/article/0,,id=97312,00.html.

Don Hallenbeck and **John Pointer** will discuss a Western Region IRS project matching gross receipts for the restaurant industry with California State sales tax gross receipts information. This session also provides time for Q&A with a panel of IRS Research representatives and tax faculty who have research experience using IRS data.

Speaker Profiles

Nick Greenia has worked for 25 years in IRS' Statistics of Income Division on a variety of projects involving business statistics files, including population extracts of tax data for statistical agencies such as the Census Bureau. For the past 2 years he has worked directly for the SOI director on statistical liaison and disclosure issues, including tax data access.

Don Hallenbeck has been the Taxpayer Education and Communication (TEC) Territory Manager for the Small Business/Self Employed (SB/SE) office in San Jose, California since September 2000. Don has been with the Internal Revenue Service for over 23 years. During that time he served in progressively responsible positions in the Collection Division for the Los Angeles District, Western Regional Office, and the Central California District. In the 11 years that he worked in the Central California District, he served as Field Branch Chief and Chief, Special Procedures. During much of 1999 and early 2000, Don was fortunate to serve on the Implementation Planning Phase of the Modernization effort for the Small Business/Self Employed Design effort in Washington D.C. From February 2000 until September, Don worked on the orderly transfer of people, processes, and systems from the District structure to the new organizational structure as a member of the Central California District Transition Team.

John Pointer is the TEC Territory Manager for the Laguna Niguel Territory.

Eric Toder is the Director of the Office of Research

10:30-noon (2) **The Changing CPA Exam: Are Your Students Prepared?**
Janus

Moderator: Tim Rupert (Northeastern);
Committee Member: Zite Hutton (Western Washington)

The CPA exam is undergoing dramatic changes in 2004. **Tom Omer** (Illinois-Chicago), who has been working with the AICPA on the development of the new exam, will present an in-depth look at changes to the way that the tax area is tested. While the most visible change in the new CPA exam is the transition from paper to computer, the less visible changes are notable. Based on recent practice analyses conducted by the AICPA, the revised examination incorporates increased emphasis on information technology and general business knowledge with a broadened scope in the audit area. The changes include increased skills testing and a stronger emphasis on knowledge integration. New to all exam sections is the ability to test a student's research skills. In addition, each section will now include a simulation that will take from 20-40 minutes and requires knowledge integration and research to successfully complete. In addition, to the features noted above the AICPA hired ACT (and others) to generate new test bank questions. Academics and practitioners from around the country were asked to revise initial question set submitted to increase the concept orientation. As a result of these changes the new exam scheduled for April 2004 will begin to test not only an entry person's basic knowledge but also their abilities to research, write, and integrate their knowledge across content areas.

Tim Rupert (Northeastern) will present the ATA's Teaching Resources Committee's teaching exercises and techniques that will help faculty ensure that their students acquire the skills to be successful on the exam.

Speaker Profiles

Thomas Omer is an associate professor of accounting at the University of Illinois at Chicago. He received his PhD from the University of Iowa and has also served as a faculty member at the University of Illinois Urbana-Champaign and Northeastern University in Boston. He teaches undergraduate and graduate tax classes as well as graduate financial statement analysis. His research interests include the effect of taxes on organizational choice and operations. He is published in the *Accounting Review* (July 2003), *Journal of Accounting Research*, *Journal of the American Taxation Association*, *National Tax Journal* and *Organizational Behavior and Human Decision Processes*. Over the past two years, he has worked with ACT and the AICPA developing portions of the new computerized CPA exam. He has also been involved in the development of the undergraduate Project Discovery tax course at the University of Illinois at Urbana-Champaign and has been actively involved in curriculum development at Nanyang University in Singapore. He has also been involved in discussions of the discovery learning pedagogy with Universities in Mainland China.

Tim Rupert is an associate professor and the tax concentration coordinator at Northeastern University in Boston where he teaches graduate tax courses in the MSA and MST programs. His research examines the effects of tax system characteristics on decision making and compliance of taxpayers. He has published articles in *The Journal of the American Taxation Association*, *Behavioral Research in Accounting*, *Journal of Accounting Education*, and *Applied Cognitive Psychology*. Currently, he serves as the co-chair of the Teaching Resources committee of the ATA.

12:00-1:30 p.m. **Lunch & Business Meeting**
Ballroom

Committee Member: Nancy Nichols (James Madison)
Luncheon Speaker: Tina P. Johnson, Senior Vice President of Publix. Founded in 1930, Publix Super Markets is the largest and fastest-growing employee-owned supermarket chain in the United States (www.publix.com). Johnson began her Publix career in their tax group. She is currently working with the audit committee to determine how the Sarbanes-Oxley Act of 2002 will impact Publix.

Committee Member: Linda Nelsestuen (New Orleans)
Faculty with sabbatical/internship experience will be discussion leaders at luncheon tables.

Barry Broden, Hartford, broden@hartford.edu. Balancing tax consulting with teaching and research for 37 years.

Dennis Gaffney, LeMoyne College, DGaff0478@aol.com. IRS National Office, Professor in Residence, Accounting periods and methods group.

Sanjay Gupta, Arizona State, Sanjav.Gupta@asu.edu. KPMG– Worked on state and local tax issues developing position papers for state legislative changes and in-house instructional materials.

Philip Harmelink, New Orleans, pharmeli@uno.edu. IRS Research Division, Faculty Intern.

Kenneth Heller, George Mason, kheller@gmu.edu. (1) Tax Manager at Ernst & Young National Office in Washington DC and (2) Senior tax manager at Andersen in Chicago.

Larry Kowalski, Bowling Green State, lkowals@cba.bgsu.edu. Internet service company CFO with heavy responsibilities in the tax area.

Alan Macnaughton, Waterloo, amacnaug@uwaterloo.ca. Director of Personal Income Tax for Canada's Department of Finance - Supervised a group responsible for the personal income tax portion of the annual budget and analysis of possible proposals to the income tax system.

Gary McGill, Florida, gary.mcgill@cba.ufl.edu. Price Waterhouse Visiting Tax Research Professor in New York City - worked on academic research projects and on the design and delivery of the firm's tax curriculum.

John McGowan, St. Louis, mcgowanjr@slu.edu. Private corporation under the guidance of Ernst & Young - performed 17 transfer pricing studies.

Roby Sawyers, North Carolina State, roby_sawyers@ncsu.edu. AICPA Tax Division, Washington D.C. - Drafted testimony and comments to the Treasury, Senate Finance Committee, and the House Ways and Means Committee.

Marty Wartick, Northern Iowa, martv.wartick@uni.edu. Regional firm internship – worked with flow-through entities.

Steve Wells, Alcorn State, steve@lorman.alcorn.edu. Two terms on the Mississippi Legislature - served as the Chairman of the Revenue Committee in the Ways and Means Committee and also served on a Select Joint Committee whose mission was to study the Mississippi tax structure

1:30-3:00 p.m. **(2) Teaching Tax in Graduate Programs**
 Janus **Moderator:** Sue Porter (Massachusetts)
Committee Members: Shelley Rhoades-Catanach (Villanova)
 and Amy Dunbar (Connecticut)

This session presents the results of a survey of ATA members www.sba.uconn.edu/forms/accounting/survey.htm. The survey asks questions about tax offerings in master of accounting, master of tax, master of business administration, and PhD programs. Tax faculty have diverse approaches to teaching tax in graduate programs, and the survey asks about those approaches. We will discuss innovative programs and their structures, common as well as unusual course offerings. Please come share your experiences and insights with other session participants.

The following schools have responded to the survey as of Feb. 20:

Ajou	Montana State	U Cincinnati	U Nevada - Reno
Appalachian State	North Carolina State	U Colorado	U New Mexico
Arizona State	Northeastern	U Connecticut	U New Orleans
Auburn	Northern Illinois	U Denver	UNC at Charlotte
Boston College	Ohio	U Florida	UNC-Chapel Hill
Bowling Green State	Oklahoma City	U Georgia	UNC-Wilmington
Brigham Young	Old Dominion	U Hartford	U Northern Colorado
Cal Poly Pomona	Pittsburg State	U Hawaii-Manoa	U Oklahoma
California State, LA	Quinnipiac	U Houston-Clear Lake	U Rhode Island
Columbia	Rider	U Houston - Houston	U Tennessee
Dartmouth	San Jose State	U Illinois – Champaign	U Texas at Austin
Drexel	Saint Louis	U Illinois - Chicago	U Texas at San Antonio
George Mason	St. Mary's	U Kansas	U Toledo
Florida Atlantic	St. Bonaventure	U Kentucky	U Virginia
Florida Gulf Coast	Santa Clara	U Louisiana - Lafayette	U Waterloo
Georgia State	Southern Methodist	U Maryland U Coll	U Wisconsin-Madison
Illinois State	Texas Christian	U Mass - Amherst	Valparaiso
Indiana - Bloomington	Texas Tech	U Mass - Dartmouth	Villanova
Indiana - Indianapolis	U Arizona	U Miami	Virginia Poly Inst
Indiana- South Bend	U Alabama	U Michigan	Wake Forest
MIT	U Arkansas	U Mississippi	Walsh College
Michigan State	U Chicago	U Nebraska - Lincoln	

3:00-3:30 p.m. **Refreshment Break**

1:30-3:00 p.m. **(1) Education Research: Ideas, Opportunities and Venues**
 Whitted **Moderator and Committee Member:** Robert Ricketts (Texas
 Tech)

Prioritizing the Core Competencies

Mike Roberts, University of Alabama

Presenter: Mike Roberts (Alabama)

Discussant: Dave Mason (Southern Illinois University at
 Edwardsville)

Developing and Teaching a Critical Thinking Tax Case

Tracy Noga, Suffolk University, and Joann Segovia, Minnesota
 State University

Presenter: Tracy Noga (Suffolk)

Discussant: Kaye McClung (University of Tennessee at
 Chattanooga)

**Teaching Governmental and Advanced Tax Accounting
 Topics Using Self-Generated Elaborations**

Judith Sage, visiting at Chicago State University
 Lloyd Sage, Governors State University

Presenter: Judith Sage (Chicago State University)

Discussant: Raquel Alexander (UNC at Wilmington)

**Papers for this session were reviewed by the ATA
 Education Research Committee:**

Raquel Alexander (UNC at Wilmington), Dale Flesher
 (University of Mississippi), Peggy Hite, (chair Indiana), Ernest
 Larkins (Georgia State University), Dave Mason (University of
 Southern Illinois at Edwardsville), Kaye McClung (University
 of Tennessee at Chattanooga), Mike Roberts (University of
 Alabama), and Bob Smith (University of Southern
 Mississippi).

3:30-5:00 p.m. **(1) The Stock Option Deduction**
Whitted **Moderator:** Jon Davis (Wisconsin)
Committee Member: Robert Halperin (Illinois)

Doug Shackelford (UNC) and Michelle Hanlon (Michigan) will discuss the employee stock option deduction and the potential impact that accounting for the deduction has on empirical research.

Speaker Profiles

Michelle Hanlon is an assistant professor at the University of Michigan. She received her Ph.D. in business administration from the University of Washington in 2003. A CPA and CMA, Michelle was a tax manager at KPMG, LLP prior to working on her doctorate. Her research interests include book-tax differences and the quality of financial accounting earnings, dividend tax capitalization, executive stock options and their relation to future earnings and risk taking actions of management. She has published in *Accounting Horizons* and *Journal of Accounting and Economics* (forthcoming).

Douglas A. Shackelford is the Meade H. Willis Professor of Taxation at the University of North Carolina at Chapel Hill and director of the UNC Tax Center. Shackelford serves as a Research Associate at the National Bureau of Economic Research. He received his Ph.D. in business administration from the University of Michigan in 1990 and his B.S. in business administration from the University of North Carolina at Chapel Hill in 1980. A CPA, he was a senior tax consultant with Arthur Andersen in Boston and Greensboro from 1981 to 1985. His research and teaching address taxes and business strategy. He has published widely in accounting and economics journals, including the *Journal of Accounting and Economics*, *Journal of Accounting Research*, *Accounting Review*, *Journal of Public Economics*, and the *National Tax Journal*.

3:30-5:00 p.m. **(2) Using Images and Animations in Teaching**
Janus **Moderator:** Tom Omer (Illinois)
Committee Member: Amy Dunbar (Connecticut)

Tom Terry, a biology professor at Connecticut, demonstrates how he gets the most out of graphics, animations, and other visual technology in his teaching. He makes mitochondria sexy! His students love him. Check out his web page at www.sp.uconn.edu/~terry/Common/bio.html.

Speaker Profile

Thomas Terry received his Bachelor's and Doctoral degrees from Yale University, moving from physics into biophysics and then into microbiology. He enjoys the challenge of teaching large introductory classes in biology, both for majors and non-majors, as well as courses in microbiology, the nature of scientific thought, and the biology of health and disease. He has earned a number of awards for outstanding teaching, including: * University of Connecticut Teaching Fellow (1994)* Chancellor's Award for National Recognition in Information Technology (1998)* Connecticut Professor of the Year (1998) by the Carnegie Foundation * Teacher Innovation Award for the development and application of technology-based innovations in learning (2001) by the Connecticut Distance Learning Consortium.

Prof. Terry has been especially intrigued by the development of the internet, and is a nationally recognized leader in developing useful ways of applying technology to improve teaching and learning. During the past 5 years, he has given over 70 workshops, seminars, poster sessions, and keynote speeches on various aspects of applications of multimedia technology in education, including both domestic and international conferences. He has worked with the American Society for Microbiology as a conference chair and as chair of a committee to develop online multimedia resources for education.

End of Program

ATA 2003-2004 Committee Appointments

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

Unlike previous years, you should register your preferences on the ATA web site, rather than on a printed form. Please go to the web form on the ATA web site (follow the link from the table of contents- <http://www.atasection.org>), and take a few minutes to indicate your interests and preferences in serving on the ATA committees listed below.

Please respond as soon as possible, but no later than March 15, 2003. If you have any questions, please contact Dave Stewart (801) 422-2365; dstewart@byu.edu. Thank you.

Committee

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



2004 ATA MIDYEAR MEETING AND JATA CONFERENCE

Westin Tabor Center
Denver, Colorado
February 27-28, 2004

