This letter should reach you shortly before the ATA’s 1996 Mid-Year Meeting. Vice-President Shirley Dennis-Escouller and her committee have done an outstanding job in coordinating this meeting, from locating a hotel in the heart of New Orleans’ French Quarter, to planning an agenda designed to meet the needs of today’s tax educators. I hope you are already enjoying the 1996 meeting’s theme of “Moving to the Leading Edge: New Ideas and Technology for Tax Educators.” As in prior years, generous support from KPMG Peat Marwick helped make this meeting possible.

Doug Shackelford, as Chairman of the Concerns of New Tax Faculty Committee, has had his members work closely with Shirley’s Mid-Year Program Committee to assure an attractive program for our junior tax faculty. Doug’s committee has organized a panel discussion as well as junior faculty research presentations. To alert new tax faculty to the Mid-Year Meeting, Doug’s committee sent special invitations to Assistant Professors and doctoral students in taxation.

Sandy Kramer, editor of the Journal of the ATA, coordinated the Second JATA Research Conference, which focused on “Taxes and Business Decisions.” Those of you who attended this conference at our 1995 San Antonio meeting will recall the great turnout at this all-day session. Once again, Sandy and her committee have selected four excellent research papers to be presented at the conference: “Response to Tax Law Changes Involving the Deductibility of Executive Compensation” by David Ryan and Steve Balsam, “LIFO Adoption and the Tax Shield Substitution Effect” by Robert Trezevant, “Repatriation Taxes and Investment Decisions In the Presence of Real Options” by Richard Sansing and “Organizational Form and Taxes: An Empirical Analysis of Small Businesses” by Ben Ayers, Bryan Cloyd and John Robinson.

The ATA’s home page on the Worldwide Web is up and running. Jack Kramer and Jerry Stern, Co-Chairmen of the Computer Resources Committee, have worked closely with ATA Deputy Webmaster Tom Omer to develop this home page. The page can be accessed directly or through the AAA’s home page. The addresses for these two home pages are as follows:

ATA: http://omer.cba.neu.edu:
8001/ata1.html

AAA: http://www.rutgers.edu/
Accounting/raw/aaa/aaa.htm

The ATA home page now contains the names and addresses of the ATA’s officers and trustees, announcements of tax faculty positions available, ATA business announcements, membership information, 1995-1996 ATA committees and chairpersons, JATA information and forthcoming articles and information about the ATA Teaching Resources Committee.

Our other committees are also off to good starts. Bob Rosen, Chairman of the Relations with the IRS and Treasury Committee, has been in contact with the IRS Commissioner’s office about securing a seat for the ATA on the Commissioner’s Tax Policy Advisory Group and hopes to hear more news this coming spring. Stu Karlinsky’s Corporate Tax Policy Subcommittee has been quite active this fall and has drafted several legislative proposals. As always, the viability of our organization depends on the ongoing efforts of our members’ committee efforts, only a few of which I have been able to mention here. Within the next two months, President-Elect Ed Ouslay will be announcing a call for committee memberships for the 1996-1997 year. If you have an interest in serving on a committee for next year, please respond to Ed’s request as soon as possible.

Best wishes for a happy and healthy new year.
NOMINATIONS FOR 1996-97 ATA OFFICES REMINDER

The nominations committee of ATA is seeking nominations for officers to serve for the 1996-97 fiscal year. The following positions must be filled:
- President-Elect
- Vice President
- Vice President-Elect (new position)
- Secretary
- Treasurer (first time that Secretary and Treasurer are separate positions)
- Trustees (3 Positions)
- Members of the Publications Committee (2 Positions)

Please send your nominations by February 12, 1996 to:
Anna C. Fowler
Department of Accounting
CBA 4M.202
University of Texas at Austin
Austin, TX 78712-1172

or fax your nominations c/o Anna C. Fowler, (512) 471-3904 or send by email to afowler@mail.utexas.edu.
Please note that any other email address you may have used in the past will not be effective now.

NEWSLETTER DEADLINES

The deadlines for submitting information to the ATA Newsletter are as follows:
  
  Anthony P. Curatola
  Drexel University
  COBA - 509E Matheson
  32nd & Chestnut Street
  Philadelphia, PA 19104-2875
  Phone: (215) 895-1453
  Fax: (215) 895-8978 or 1997

the Case Studies Editor, Dr. Betty Jackson at the University of Colorado at Boulder.

PW CASE STUDIES

We are pleased to announce that the updated versions of the Price Waterhouse Case Studies in Tax, sponsored by the PW Foundation, are now available for distribution. The first six cases were introduced in January 1989, four cases in 1990 and two new cases in each year from 1991 through 1993.
If you wish to order copies of the 1995 instructor manual and/or multiple student copies, the PW Foundation will provide this material free of charge. Please contact Barbara J. Reynoso at (212) 790-4713 to place orders.

Please direct all comments or suggestions to Stan Smith at Price Waterhouse, 1251 Avenue of the Americas, New York, NY 10020 or

ATA Officers and Trustees (1995-96)

Sitting (from left to right): Sandy Kramer, Betty Jackson, Debra Hill, President, Shirley Dennis-Escoffier and Anna Fowler. Standing (from left to right): Silvia Madeo, Doug Schackelford, Ed Outslay, Terry Shevlin, Jeff Gramlich, Phil Harmelink and Fran Ayres.

SCHEDULE OF 1996 AAA ANNUAL AND REGIONAL MEETING

1996 Annual Meeting
Chicago, IL
August 14-17, 1996

1996 Regional Meetings
Mid-Atlantic Regional Group
Philadelphia, PA
March 20-23

Midwest Regional Group
Kansas City, MO
April 17-20

Northeast Regional Group
New York State Society of Certified Public Accountants and New York University
New York, NY
April 18-20

Ohio Regional Group
Kent State University
Aurora, OH
May 2-4

NOTE: Pete Salzarulo has been named Chair of the ATA’s Ohio Regional Committee for 1995-97. His name was inadvertently not reported in the Fall Newsletter.

Southeast Regional Group
Richmond, VA
April 25-27

Southwest Regional Group
San Antonio, TX
March 6-9

Western Regional Group
Jackson Lake Lodge
Jackson Hole, WY
May 16-18

BOOK AND SOFTWARE REVIEWS

The Journal of the American Taxation Association publishes book and software reviews each issue. If you know of a book or an item of software that you would like reviewed or if you are interested in writing a book or software review, please contact the Associate Editor:

Kenneth E. Anderson
Department of Accounting and Business Law
College of Business Administration
University of Tennessee
Knoxville, TN 37996-0560
Phone: (423) 974-1753
Fax: (423) 974-4631
PRICE WATERHOUSE FELLOWSHIP IN TAX AWARD

The PW Foundation is soliciting applications for the PW Fellowship in Tax Award. This fellowship program consists of two $25,000 fellowships of one semester duration (excluding the summer) designed to provide "released time" to assistant professors in tax. The goal is to enable these junior faculty to devote concentrated time to writing and research necessary for advancement.

Past fellowship award recipients include:

- Julie Collins—University of North Carolina at Chapel Hill, Spring 1989.
- Michael Roberts—University of Alabama at Tuscaloosa, Spring 1990.
- Michael Schadewald—University of Texas at Austin, Spring 1990.
- Shing-wu Wang—University of Arizona, Fall 1991.
- Robert Trezevant—University of Southern California, Spring 1993.
- Sanjay Gupta—Arizona State University, Fall 1993.
- Daniel Murphy—University of Tennessee, Fall 1993.
- Peter Frischmann—University of Wisconsin—Madison, Fall 1994.
- Bryan Cloyd—University of Texas at Austin, Fall 1995.
- Brian Spilker—Brigham Young University, Spring 1996.

For the Fall 1995 and Spring 1997 semesters, the application deadline is March 29, 1996 with the winner announced by May 17, 1996.

For a list of eligibility criteria and information on the application process, please contact: Barbara J. Reynoso
c/o Price Waterhouse
1251 Avenue of the Americas
New York, NY 10020
(212) 790-4713

1995 TAX MANUSCRIPT AWARD

Professors Terry Shevlin, D. Shores and Steve Matsunaga were announced as the winners of the 1994–95 ATA Tax Manuscript Award at the ATA luncheon held in conjunction with the 1995 Annual American Accounting Association meeting in Orlando. Shevlin, Shores and Matsunaga won the award for their paper entitled "Disqualifying Dispositions of ISO: Tax Benefits vs. Financial Reporting Costs," which appeared in the 1992 Supplement of JAR. Professor Pat Wilkie presented the winning authors with their plaques at the luncheon.
AMERICAN TAXATION ASSOCIATION
1996-97 Committee Appointment Request

Name

Address

Summer Address

Phone

Summer Phone

E-mail

Date of Change

1. Expect to attend AAA National Meeting in Chicago, IL?  Yes  _____  No  _____
   I hope that most committee members can attend the national meeting and participate in a committee meeting there; attendance is not, however, a prerequisite for appointment to a committee.

2. For each of the committees listed below, indicate your degree of interest in serving by using the key below. Leave a blank space for those committees on which you have no interest in serving.
   1. Strongly interested
   2. Interested
   3. Mildly interested

   Also, for those committees that you indicated a "1," strongly interested, or a "2," interested, please rank your preferences ("1" equals highest) in the blanks provided.

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<thead>
<tr>
<th>Degree of Interest</th>
<th>Rank</th>
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<td>A. ATA/AA Teaching Innovations Award</td>
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<td>B. ATA/PW Doctoral Dissertation Award</td>
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<td>C. ATA Graduate Tax Education</td>
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<td>D. ATA Tax Manuscript Award</td>
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<td>E. Accreditation and Curriculum Issues</td>
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<td>F. Annual Meeting Program</td>
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<td>H. Complexity Reduction</td>
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<td>I. Computer Resources</td>
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<td>P. Membership</td>
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<td>Q. Mid-Year Meeting Program</td>
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<td>R. Nominations</td>
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<td>S. Publications</td>
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<td>T. Regional Programs</td>
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<td>V. Research Resources and Methodologies</td>
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<td>W. Tax Accounting Policy</td>
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<td>X. Tax Policy Research Oversight</td>
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<td>Y. Teaching Resources Task Force</td>
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(Continued on page 5)
1996-97 Committee Appointment Request (Continued)

3. Would you consider serving on a committee for which you left a blank space above should the need arise?
   Yes ______ No ______

4. If you have an interest in chairing a committee, please list in order of preference the committee(s) you would like to chair. Use the letter(s) shown on the previous page to denote the committee(s).

5. Please list any ATA committees on which you have served in the last five years:

6. What AAA Region are you in?

7. Which AAA Regional meetings do you expect to attend in 1997?

8. Your suggestions for ATA activities and/or priorities:

   __________________________________________
   __________________________________________
   __________________________________________
   __________________________________________
   __________________________________________
   __________________________________________
   __________________________________________
   __________________________________________

Thank you for your willingness to participate. Please return this form by April 8, 1996 to:
Edmund Outslay
Department of Accounting
Eli Broad Graduate School of Management
Michigan State University
East Lansing, MI 48824-1121
Fax: (517) 336-1101
Email: outslay@pilot.msu.edu

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REFORMING THE AAA

Every member of the American Accounting Association will soon be given the opportunity to make the Association more responsive and democratic. Increasingly, the leadership of the AAA is out of touch with the members. Paul Gerhardt, the retiring Executive Director of the AAA, noted in his farewell address at the 1995 Annual Meeting that the last 32 Presidents have all come from doctoral granting schools (who comprise less than 25 percent of the membership). Ninety-four percent of the executive committees during the same period also come from these same elite schools. In contrast, 64 percent of the section and regional officers this past year came from non-elite schools. The motions for reform provide a modest opportunity to empower the members; unless the divide is bridged, the Association risks adopting policies that are irrelevant to the needs of the membership.

The AAA has been slow to respond to the major challenges resulting from the reduced employment prospects of accounting students, and ultimately the employment opportunities of its members, the people who teach them. It has been largely unwilling to respond to criticisms that much of the research that dominates the Accounting Review is irrelevant and misplaced. The leadership of the AAA has been reluctant to pioneer educational reforms and has reduced much of accounting scholarship to an act of subservience. The Executive Committee of the Association has only given grudging support to Regions and smaller Sections, which often better reflect the diverse interests of the members. Little wonder, then, that Paul Gerhardt reported that the AAA had the lowest members' satisfaction in a recent survey of 23 Associations, conducted by Market Probe Inc.

A major part of the problem is the structure of the AAA. It is not constructed to be responsive to the changes that affect accounting, but facilitates a narrow group that preserves for itself the perquisites and honors that the Association can grant. At present, members do not directly elect the officers of the Executive Committee, and bureaucratic and arbitrary rules inhibit new initiatives. In the near future, members of the AAA will receive a ballot allowing them to vote on three changes to the bylaws, which will make the Association more flexible, responsive and democratic.

(Continued on page 6)
Reforming the AAA
(Continued from page 5)

The first change codifies a recent Executive Committee policy, allowing members to select, for the basic dues, one of three journals. The recent policy change in effect only raised members' dues. Our proposed bylaw change expands the selection to include all AAA journals, even section journals. The attrition of membership and the explosion of section activities shows that accounting is a field of low paradigm consensus. Currently, no free market mechanism allows members to reveal their preferences about what research they wish to support. The change will empower sections that produce journals that members want. While it is not part of the proposals currently before the membership, we would ultimately like members to be free to subscribe to all (or none) of the Association's journals. In this way, consumer choice would discipline research and publication activities, which would become better attuned to members' diverse needs.

The second bylaw change would remove a major restriction on the formation and continuation of sections. Section membership is a strong reason for belonging to the AAA. Why 400 is the appropriate number to qualify as having the initial (or continuing) support of the AAA has never been demonstrated. This number was arbitrarily introduced a few years back to restrict the introduction of several new sections, created to respond to the differing needs and interests of the increasingly diverse membership (by gender, race, employment and geographical location).

The history of the AAA shows that small, innovative groups often become major elements of our community. For those who worry that new sections may increase overall Association costs, we believe that a group of accountants can produce a sensible internal pricing schedule for administrative services. As we do not currently know the administrative costs structures of the AAA, we propose a 50-member minimum for sections, and that they be free to set their own dues. While it is possible that this change will require changes in the composition of the Council, we do not propose any such changes until we can all see the effect of the reduction in minimum section size on the size and representation in Council.

The third proposed change is the most important as it seeks a fundamental remedy for the longstanding problem. The Executive Committee for too long has been out of touch with the majority of the members. The aim is to make the Association more democratic. At present, most members of the AAA are effectively disenfranchised. Election of officers is held at the annual meeting, which many members cannot afford to attend. If one does vote now, it is only for one slate of officers nominated through a process controlled by the existing executive committee.

This third proposal opens up the nominating process and offers a choice among candidates (including any the executive committee would wish to propose). This would improve the responsiveness of the AAA leadership to shifts in the composition and interests of the members and thus provide relevant and continuous innovation in strategy.

In this short document we cannot respond to all the possible questions that these proposals raise. More detailed arguments are available on the World Wide Web (http://pegasus.cc.ucf.edu/~goldwatr/home.html) under “Myths and Facts about the Three Motions.” Alternatively, you may contact any one of us:

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