

EIGHTIETH  
ANNUAL  
CONFERENCE  
ON TAXATION

*Sponsored  
by the*

NATIONAL TAX ASSOCIATION-  
TAX INSTITUTE OF AMERICA



Pittsburgh Hilton Hotel  
Pittsburgh, Pennsylvania

November 8-11, 1987

EIGHTIETH

ANNUAL

CONFERENCE

ON TAXATION

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NATIONAL TAX ASSOCIATION-  
TAX INSTITUTE OF AMERICA



## GENERAL INVITATION

The Conference sessions are open, and the public is cordially invited to take part in the discussion following the formal papers to the extent that available time permits.

Anyone may take part in the discussion of resolutions submitted for Conference action, but the voting is confined to members of the National Tax Association-Tax Institute of America.

A \$30.00 registration fee will be charged for members of the National Tax Association-Tax Institute of America, and a \$50.00 registration fee for nonmembers attending the Conference. Spouses and children will be registered without charge.

## MESSAGE CENTER

Arrangements have been made with the Pittsburgh Hilton Hotel to provide a message center to receive messages and incoming telephone calls. The telephone number of the hotel is:

(412) 391-4600

## SPOUSES' HOSPITALITY ROOM

The spouses' hospitality room will be located in the Brigade. It will be open on Sunday from 1:00 P.M. to 4:00 P.M., Monday from 9:00 A.M. to 12:00 Noon and Tuesday from 10:00 A.M. to 4:00 P.M.

SUNDAY, NOVEMBER 8, 1987

1:00 P.M. - REGISTRATION Ballroom  
6:00 P.M. Foyer  
6:30 P.M. - RECEPTION Kings Garden South  
7:30 P.M. & Le Bateau

MONDAY, NOVEMBER 9, 1987

8:00 A.M. - REGISTRATION Ballroom  
5:00 P.M. Foyer  
9:00 A.M. - OPENING SESSION Ballrooms  
10:00 A.M. Three & Four

Richard W. Brust,  
President, NTA-TIA, presiding

WELCOME ADDRESS

Barton A. Fields, Secretary of  
Revenue, Commonwealth of  
Pennsylvania

RESPONSE

Stuart W. Connock, First Vice  
President, NTA-TIA

ORGANIZATION OF THE CONFERENCE

Janet L. Staton, Secretary,  
NTA-TIA

PRESIDENTIAL ADDRESS

Richard W. Brust, President,  
NTA-TIA

10:00 A.M. - FIRST GENERAL Ballrooms Three  
12:00 NOON CONFERENCE SESSION & Four

RESPONSE OF THE STATES TO  
FEDERAL TAX REFORM

Eric Toder, Congressional Budget  
Office, presiding

THE INCIPIENT REVOLUTION IN STATE  
PERSONAL TAXES

Steven Gold, National Conference  
of State Legislatures

STATE REACTION TO FEDERAL CORPORATE  
CHANGE IN THE 80s: MORE MONEY OR  
MORE UNCERTAINTY?

Robert Strauss, Carnegie-Mellon  
University



MAJOR TAX OVERHAUL: IF THE FEDS  
CAN DO IT, SO CAN THE STATES

Tom Triplett, Minnesota Department of Revenue

NEW YORK'S 7 PERCENT SOLUTION

John Hudder, New York State Department of Taxation & Finance

DISCUSSANT

Richard Pomp, University of Connecticut School of Law

12:15 P.M. - CONFERENCE LUNCHEON Kings  
1:45 P.M. Garden South  
& Le Bateau

Stuart W. Connock, First Vice President, NTA-TIA, presiding

SPEAKER

Edward M. Gramlich, Acting Director, Congressional Budget Office

2:00 P.M. - FIRST CONCURRENT Ballroom  
4:00 P.M. CONFERENCE SESSION Three

FEDERAL TAX REFORM: A FIRST  
GLANCE ONE YEAR LATER

Eugene Steuerle, U. S. Department of the Treasury, presiding

IMPACT OF THE 1986 TAX REFORM ACT  
ON SAVING AND INVESTMENT: SOME  
EARLY EVIDENCE

Edward Gramlich, Congressional Budget Office

Eric Toder, Congressional Budget Office

EFFECTS OF TAX REFORM ON BUDGET,  
SOCIAL, AND TAX POLICYMAKING

Joseph Cordes, The George Washington University

Eugene Steuerle, U. S. Department of the Treasury

TAX REFORM AND TRENDS IN INTERNATIONAL INVESTMENT PATTERNS

Daniel Frisch, U. S. Department of the Treasury

## DISCUSSANTS

Robert Turner, Colgate University

Michael Wiseman, The University  
of California at Berkeley

2:00 P.M. - SECOND CONCURRENT Ballroom  
4:00 P.M. CONFERENCE SESSION Four

## REPORTS OF THE NATIONAL ACADEMY OF SCIENCES AND AMERICAN BAR ASSOCIATION ON TAXPAYER COMPLIANCE: A SYMPOSIUM

Jeffrey Roth, National Academy  
of Sciences, presiding

## PRESENTERS

Jeffrey Roth, National Academy  
of Sciences

John Scholz, State University  
of New York at Stony Brook

Kent Smith, American Bar  
Foundation

## DISCUSSANTS

Phillip Mann, Miller and Chevalier

Daniel Nagin, Carnegie-Mellon  
University

Donald Skadden, American Institute  
of Certified Public Accountants

4:15 P.M. - COMMITTEE MEETINGS

5:45 P.M.

## FEDERAL TAXATION AND FINANCE

Duquesne

Kenneth B. Simonson, American  
Trucking Association, Chair

## TAX POLICY ADVICE FOR THE NEXT PRESIDENT

Henry Aaron, Brookings Institution

Frederic Hickman, Hopkins & Sutter

Emil Sunley, Deloitte Haskins &  
Sells

Albert Germain, Aluminum Company  
of America

## INTERGOVERNMENTAL FISCAL RELATIONS

Allegheny

Billy Dee Cook, Government of the  
District of Columbia, Chair



THE NEW ERA - FEND FOR YOURSELF  
FEDERALISM

John Shannon, Advisory Commission  
on Intergovernmental Relations

FEDERAL REIMBURSEMENT FOR MANDATES  
ON STATE AND LOCAL GOVERNMENTS

Ray D. Whitman, University of the  
District of Columbia

Roger Bezdek, U. S. Department of  
the Treasury

LOCAL NONPROPERTY  
TAXATION

Black Diamond

Wayne G. Eggert, AT&T, Chair

EQUITY ANALYSIS OF PENNSYLVANIA'S  
LOCAL TAX STRUCTURE

David Knepper, Pennsylvania State  
University

TRENDS IN LOCAL SALES TAXES

BUREAU OF CENSUS DATA ON LOCAL  
REVENUE SOURCES

MUNICIPAL INFRASTRUCTURE IMPROVE-  
MENTS AND REVENUE SOURCES

"IN LIEU OF" PAYMENTS BY EXEMPT  
ORGANIZATIONS

LOCAL TAXATION OF REAL PROPERTY  
TRANSFERS

TRENDS AND NEWSWORTHY EVENTS IN  
LOCAL NONPROPERTY TAXATION

PROPERTY TAXATION

Rivers E

G. E. Nichols, Southwestern Bell  
Telephone Company, Chair

PUBLIC UTILITY AND TRANSPORTATION  
TAXATION

Rivers D

Douglas Sharp, Chair

WICHITA WORKSHOP REPORT

Kenneth R. Boyer

Douglas Sharp

TAX REFORM -- ONE YEAR LATER

James Bridge, Union Electric  
Company

Edgar Will, Southwestern Bell  
Telephone Company

Moderator: Dennis Simmons,  
Southwestern Bell Telephone  
Company

#### COMMITTEE BUSINESS

(a) Spring Planning Meeting (1988)

(b) Proposal for Applied Research  
Program

#### STATE INCOME AND BUSINESS TAXATION

Chartiers

Charles E. McLure, Jr., Hoover  
Institution, Chair

#### STATE SALES AND USE TAXATION

Brigade

William F. Fox, University of  
Tennessee, Chair

#### THE NEW JERSEY SALES TAX: THE IMPACT OF BASE BROADENING

Regina Armstrong, Urbanomics

#### THE PROPOSITION OF CONSUMERS' AND PRODUCERS' GOODS IN THE GENERAL SALES TAX

Raymond Ring, University of South  
Dakota

#### NATIONAL BELLAS HESS

Leon Rothenberg, Federation of  
Tax Administrators

#### UPDATE ON RECENT SALES TAX EVENTS

#### TAXATION OF FINANCIAL INSTITUTIONS

Forbes

John D. Hogan, University of  
Illinois, Chair

#### EDUCATION IN PUBLIC FINANCE Traders

Bernard P. Herber, The University  
of Arizona, Chair

#### COMMITTEE ON COMMITTEES

Board

Harold F. McClelland, Claremont  
McKenna College, Chair



TUESDAY, NOVEMBER 10, 1987

8:30 A.M. - REGISTRATION Ballroom  
5:00 P.M. Foyer

9:00 A.M. - ANNUAL MEETING OF THE  
10:00 A.M. NATIONAL TAX ASSOCIA-  
TION-TAX INSTITUTE OF  
AMERICA Ballrooms  
Richard W. Brust, Three and  
President, NTA-TIA, Four  
presiding

TREASURER'S REPORT

NOMINATING COMMITTEE REPORT

ELECTION OF HONORARY MEMBER

PRESENTATION OF NTA-TIA OUTSTANDING  
DOCTORAL DISSERTATION AWARDS

REPORTS OF STANDING AND STUDY  
COMMITTEES

10:00 A.M. - SECOND GENERAL Ballrooms  
10:15 A.M. CONFERENCE SESSION Three and  
REPORT OF THE CONFERENCE Four  
RESOLUTIONS COMMITTEE  
Richard W. Brust, President,  
NTA-TIA, presiding

10:30 A.M. - THIRD CONCURRENT Ballroom  
12:30 P.M. CONFERENCE SESSION Three

NTA-TIA OUTSTANDING DOCTORAL  
DISSERTATION AWARDS  
PRESENTATIONS

James A. Papke, Purdue University,  
presiding

ESSAYS ON PRIVATE GIVING TO PUBLIC  
GOODS

James R. Andreoni, Department of  
Economics, University of Wisconsin,  
Madison

THE ALLOCATION AND WELFARE EFFECTS  
OF FEDERAL CREDIT PROGRAMS

William G. Gale, Economics Depart-  
ment, University of California at  
Los Angeles

A THEORETICAL AND EMPIRICAL MODEL  
OF THE REAL AND FINANCIAL DECISIONS  
OF THE FIRM: EFFECTS OF TAX INTE-  
GRATION AND OTHER TAX POLICIES

Serge Nadeau, Department of  
Economics, University of Victoria

10:30 A.M. - FOURTH CONCURRENT Ballroom  
12:30 P.M. CONFERENCE SESSION Four

TAX POLICY AND RETIREMENT  
SAVINGS

Alicia Munnell, Federal Reserve  
Bank of Boston, presiding

THE IMPACT OF THE 1986 TAX REFORM  
ACT ON THE EQUITY OF THE NATION'S  
RETIREMENT SYSTEM

Daniel Halperin, Georgetown  
University Law Center

THE RESPONSE OF COMPANIES TO THE  
CHANGE IN PENSION PROVISIONS IN  
THE 1986 TAX REFORM ACT

Sylvester Schieber, The Wyatt  
Corporation

THE EXTENT TO WHICH TAX POLICY CAN  
INCREASE RETIREMENT SAVING AND  
INCOME

David Lindeman, Congressional  
Budget Office

Larry Ozanne, Congressional  
Budget Office

DISCUSSANTS

Janice Gregory, ERISA Industry  
Committee

Andrew Lyon, University of  
Maryland

Yolanda Henderson, Federal  
Reserve Bank of Boston

2:00 P.M. - FIFTH CONCURRENT Ballroom  
4:00 P.M. CONFERENCE SESSION Three

TAX REFORM: A WORLDWIDE  
MOVEMENT

Bernard Herber, University of  
Arizona, presiding



TAX REFORM IN THE U.K.: THE  
RECORD TO DATE

I.C.R. Byatt, Her Majesty's  
Treasury, United Kingdom

TAX REFORM: CONTINUING EFFORTS  
IN JAPAN

Tadashi Iwashita, Embassy of  
Japan

THE JAMAICAN FLAT RATE INCOME TAX  
Roy Bahl, Syracuse University

RECENT CHANGES IN THE TAX TREATMENT  
OF INTEREST INCOME AND DEDUCTIONS

Vito Tanzi, International  
Monetary Fund

2:00 P.M. - SIXTH CONCURRENT Ballroom  
4:00 P.M. CONFERENCE SESSION Four

USE OF SIMULATION MODELS IN  
TAX POLICY ANALYSIS

Rosemary Marcuss, Congressional  
Budget Office, presiding

TAX MODELS IN POLICY ANALYSIS AT  
THE STATE AND LOCAL LEVEL

Harvey Galper, Peat Marwick &  
Main

MODELLING THE IMPACT OF THE ALTER-  
NATIVE MINIMUM TAX ON EQUIPMENT  
LEASES

Lawrence Dildine, Price  
Waterhouse & Co.

THE CHANGING DISTRIBUTION OF  
FEDERAL TAXES: 1975-1990

Frank J. Sammartino, Congres-  
sional Budget Office

Richard A. Kasten, Congressional  
Budget Office

DISCUSSANTS

Robert Tannenwald, Federal  
Reserve Bank of Boston

Jesse J. Greene, Jr., IBM Credit  
Corporation

J. Gregory Ballentine, Peat  
Marwick & Main

6:30 P.M. - RECEPTION Kings Garden South  
7:30 P.M. & Le Bateau

7:30 P.M. - ANNUAL CONFERENCE Ballrooms  
BANQUET Three & Four  
Richard W. Brust, President,  
NTA-TIA, presiding

RECOGNITION OF STANLEY J. BOWERS,  
RETIRING EXECUTIVE DIRECTOR

WEDNESDAY, NOVEMBER 11, 1987

9:00 A.M. - REGISTRATION Ballroom  
11:30 A.M. Foyer

9:30 A.M. - SEVENTH CONCURRENT Ballroom  
11:30 A.M. CONFERENCE SESSION Three

SALES TAX ISSUES FOR THE 90s  
William Fox, University of  
Tennessee at Knoxville, presiding

STRUCTURING THE SALES TAX ON  
SERVICES: LEGAL PERSPECTIVES  
Walter Hellerstein, University  
of Georgia Law School

BROADENING THE SALES TAX BASE  
TO INCLUDE SERVICES  
James Francis, Florida  
Department of Revenue  
Edgar A. Fresen, Florida  
Department of Revenue  
Charles E. Rockwood, Florida  
State University

SALES TAX BASE MODIFICATION,  
REVENUE STABILITY, AND EQUITY  
Robert Bohm, University of  
Tennessee  
Eleanor Craig, University of  
Delaware

SALES TAX COMPLIANCE  
Matthew N. Murray, University  
of Tennessee



## DISCUSSANTS

Jerome Geis, Briggs and Morgan

James Barrassee, New York State  
Department of Taxation and  
Finance

George Carlson, Arthur Andersen  
& Co.

Marilyn Rubin, City University  
of New York, John Jay College

9:30 A.M. - EIGHTH CONCURRENT Ballroom  
11:30 A.M. CONFERENCE SESSION Four

POTENTIAL LEGISLATIVE AND  
ADMINISTRATIVE REFORM --  
IMPACT ON TAXATION OF PUBLIC  
UTILITIES AND RAILROADS

Clark B. Payne (Retired),  
presiding

ONE STATE'S [NEW YORK] REACTION TO  
TECHNOLOGICAL AND REGULATORY  
CHANGES IN AN INDUSTRY [TELECOMMUNI-  
CATIONS]

Arthur R. Rosen, Esq., Roberts &  
Holland, moderator

## SPEAKERS

Joseph Schlosser, New York  
Department of Commerce

Dennis Dugan, Coopers & Lybrand

Dean Fuelihan, New York Assembly  
Ways & Means Committee

LeRoy VanRiper, New York Senate  
Finance Committee

Wayne Eggert, AT&T

LITIGATION UPDATE -- FOCUS ON  
ISSUES

Gregory Fletcher, Laughlin,  
Halle, Gibson & McBride

THE IMPACT OF HIGHWAY EXCISE TAXES  
ON RAIL-MOTOR COMPETITION

Charles R. Enis, Pennsylvania  
State University

Edward A. Morash, Michigan State  
University

## CONFERENCE COMMITTEES

### PROGRAM

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District of Columbia

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Bernard Herber	Arizona
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Douglas Sharp	Kansas
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Westinghouse Electric Corporation

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George E. Bradford	USX Corporation
Michael Dailey	The Peoples Natural Gas Company
Frances Deasy	
Barton A. Fields	Pennsylvania Department of Revenue
Kenneth Henderson	Pennsylvania Department of Revenue
Daniel S. Nagin	Carnegie-Mellon University
Hobart Richey	Koppers Company, Inc.
James I. Scheiner	Huth Engineers
Robert P. Strauss	Carnegie-Mellon University



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#### SECRETARY

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Arthur D. Lynn, Jr.                The Ohio State University

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   Commission

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   Taxation

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   Berkeley

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NATIONAL TAX JOURNAL

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Daniel M. Holland                      MIT

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