

**EIGHTY-FIRST
ANNUAL
CONFERENCE
ON TAXATION**

*Sponsored
by the*

**NATIONAL TAX ASSOCIATION-
TAX INSTITUTE OF AMERICA**



**Des Moines Marriott Hotel
Des Moines, Iowa**

September 25-28, 1988

EIGHTY-FIRST

ANNUAL

CONFERENCE

ON TAXATION

Sponsored

by the

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.

The registration fee for members of NTA-TIA will be \$120.00, for nonmembers \$135.00 and for spouses \$65.00.

MESSAGE CENTER

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

(515) 245-5500

SPOUSES' HOSPITALITY ROOM

The spouses' hospitality room will be located in the Waterloo Room on Sunday and will be open from 1:00 P.M. to 4:00 P.M. On Monday, the hospitality room will be in the Sioux City Room and will be open from 9:00 A.M. to 12:00 Noon.

SUNDAY, SEPTEMBER 25, 1988

1:00 P.M. - REGISTRATION Third Floor
6:00 P.M. Registration Area
6:30 P.M. - RECEPTION Salon A-D
7:30 P.M.

MONDAY, SEPTEMBER 26, 1988

8:00 A.M. - REGISTRATION Third Floor
5:00 P.M. Registration Area
9:00 A.M. - OPENING SESSION Hall of
9:45 A.M. Cities
Stuart W. Connock,
President, NTA-TIA, presiding

WELCOME ADDRESS

Gerald D. Bair, Director, Iowa
Department of Revenue and Finance

RESPONSE

Daniel M. Holland, First Vice
President, NTA-TIA

ORGANIZATION OF THE CONFERENCE

Janet L. Staton, Secretary,
NTA-TIA

PRESIDENTIAL ADDRESS

Stuart W. Connock, President,
NTA-TIA

9:45 A.M. - COFFEE BREAK
10:00 A.M.

10:00 A.M. - FIRST GENERAL Hall of
12:00 NOON CONFERENCE SESSION Cities

TAX POLICY ADVICE FOR THE
NEXT PRESIDENT

Kenneth D. Simonson, American
Trucking Associations, presiding

PANEL

John M. Albertine, Vice Chair,
Farley Industries

Joseph J. Minarik, Senior
Research Associate, The Urban
Institute

John E. Chapoton, Partner,
Vinson & Elkins (Washington, DC)

B. Kipling Hagopian, General
Partner, Brentwood Associates
(Los Angeles, CA)

12:15 P.M. - CONFERENCE LUNCHEON Salon D
1:45 P.M.

Daniel M. Holland, First Vice
President, NTA-TIA, presiding

SPEAKER

Michael Murphy, Sr. Deputy
Commissioner, Internal Revenue
Service

2:00 P.M. - FIRST CONCURRENT Cedar Rapids
4:00 P.M. CONFERENCE SESSION Room

STATE AND FEDERAL INCOME TAX
EXAMINATIONS

John R. Mendenhall, Vice
President - Taxes, Union Pacific
Corporation, presiding

THE TAXPAYER'S BILL OF RIGHTS -
FOR STATES

Paul Frankel, Esquire, Morrison
and Foerster (New York, NY)

Ernest J. Dronenburg, Jr.,
Chairman, California Board of
Equalization

GETTING ALONG WITH THE IRS - WHEN
YOUR COMPANY'S RETURNS ARE EXAMINED

Robert T. Bonafide, Director of
Taxes, Union Pacific Corporation

Marvin S. Michelman, Sr. Tax
Manager, Deloitte Haskins &
Sells (New York, NY)

2:00 P.M. - SECOND CONCURRENT Council
4:00 P.M. CONFERENCE SESSION Bluffs

TAX EXPENDITURE REPORTING
AND MEASUREMENTS: STATE
AND FEDERAL EXPERIENCE

Thomas Pogue, Professor of
Economics, The University of
Iowa, presiding

TAX EXPENDITURES, TAX REFORM AND
THE BUDGET PROCESS: WHAT MIGHT
THE FEDERAL EXPERIENCE SUGGEST
FOR STATE AND LOCAL GOVERNMENTS?

Pearl Richardson, Congressional
Budget Office

**MINNESOTA'S EXPERIENCE WITH TAX
EXPENDITURE REPORTING**

Carolyn Carlson, Tax Research
Division, Minnesota Department
of Revenue

Dan Salamone, Tax Research
Division, Minnesota Department
of Revenue

**TAX EXPENDITURES: THE STATE-
FEDERAL LINKAGE**

Robert B. Lucke, Price
Waterhouse & Co. (Washington, DC)

DISCUSSANTS

Richard Pomp, Visiting Professor,
New York University Law School

John Goddeeris, Department of
Economics, Michigan State
University

2:00 P.M. - THIRD CONCURRENT Davenport
4:00 P.M. CONFERENCE SESSION Room

**STATE TAX POLICY AND
ECONOMIC DEVELOPMENT**

Steven D. Gold, National Con-
ference of State Legislatures,
presiding

**PROS AND CONS OF INTERJURIS-
DICTIONAL COMPETITION**

John Kincaid, Executive Director,
U. S. Advisory Commission on
Intergovernmental Relations

**INTERJURISDICTIONAL FISCAL COMPE-
TITION AND ECONOMIC DEVELOPMENT**

David L. Chicoine, University of
Illinois

and

J. Fred Giertz, University of
Illinois

REGULATING TAX COMPETITION

Dan Bucks, Executive Director,
Multistate Tax Commission

**LOOKING TO THE FUTURE: THE MOST
PROMISING FISCAL AND ECONOMIC
DEVELOPMENT STRATEGIES**

Scott Fosler, Director of
Government Studies, Committee
for Economic Development

DISCUSSANTS

John Mutti, Department of
Economics, Grinnell College

Timothy E. Marx, Attorney at Law,
Briggs and Morgan (St. Paul, MN)

4:00 P.M. - COFFEE BREAK

4:15 P.M.

4:15 P.M. - COMMITTEE MEETINGS

5:45 P.M.

FEDERAL TAXATION AND
FINANCE

Salon D

Kenneth D. Simonson, Chair

ADS, LABS AND GOODWILL: HOW
SHOULD WE TAX INTANGIBLES?

Andrew Lyon, University of
Maryland

DISCUSSANTS

Seymour Fiekowsky, U. S.
Department of the Treasury

Frederic W. Hickman, Hopkins &
Sutter (Chicago, IL)

INTERGOVERNMENTAL FISCAL
RELATIONS

Waterloo

Billy Dee Cook, Chair

INTERSTATE TAX COMPETITION:
BUSINESS TAXPAYER VIEWPOINTS

William R. Brown, President,
Council of State Chambers of
Commerce

Robert N. Mattson, Assistant
Treasurer, IBM Corporation

M. D. (Buck) Menssen, Director of
Taxes, 3M Corporation

LOCAL NONPROPERTY
TAXATION

Sioux City

C. Kurt Zorn, Chair

ADOPTION OF LOCAL SALES TAX IN
WISCONSIN

Donald Ellickson, Department of
Economics, University of
Wisconsin

STANDARDIZATION AND ADMINISTRATION
OF CROSS JURISDICTIONAL FEES

Edwin Flynn, Associate Professor
of Business Administration,
Augusta College

IMPACT OF LOCAL POLICIES ON FIRM
LOCATION

Matthew Murray, University of
Tennessee

COST-SHARING MECHANISMS TO FINANCE
TRANSPORTATION INFRASTRUCTURE

C. Kurt Zorn, School of Public &
Environmental Affairs, Indiana
University

PROPERTY TAXATION

Dubuque

G. E. Nichols, Chair

TWO CURRENT PROBLEMS IN PROPERTY
VALUATION: VALUING PROPERTIES
WITH NEGATIVE WORTHS: AND
RESOLVING METHODOLOGICAL CONFLICT
BETWEEN THE THREE MAJOR APPROACHES
USED TO VALUE PROPERTY

Will Knedlik, Executive
Secretary, National Conference
of State Tax Judges

PANEL

Richard Almy, Executive Director,
IAAO

Gary Cornia, Associate Professor,
Brigham Young University

Nick Doenges, Davenport City
Assessor; President, Iowa State
Association of Assessors

PUBLIC UTILITY AND TRANSPOR-
TATION TAXATION

Cedar Rapids

Ross McVey, Chair

WICHITA WORKSHOP REPORT

Douglas Sharp, Wichita State
University

LITIGATION UPDATE

James McBride, Laughlin, Halle,
Gibson and McBride

IMPACT OF SFAS 96 ON PROPERTY
ASSESSMENTS

James M. Bridge, Union Electric
Company

Ross McVey, Telephone & Data
Systems, Inc.

STATE INCOME AND BUSINESS
TAXATION

Council Bluff

Thomas Pogue, Vice Chair

PANEL DISCUSSION OF FORMULAS FOR
THE INTERSTATE ALLOCATION OF
CORPORATE INCOME

Glen Bower, Illinois Department
of Revenue

Dan Bucks, Multistate Tax
Commission

James A. Papke, Purdue University

Sander Schoonover, Chairman,
Iowa Taxpayers Association

STATE SALES AND USE
TAXATION

Davenport

William F. Fox, Chair

OVERVIEW OF SALES TAX LEGISLATION
AND JUDICIAL ACTION

TAXATION OF FINANCIAL
INSTITUTIONS

Des Moines

Catherine Fleischmann, Chair

CURRENT DEVELOPMENTS IN STATE
TAXATION OF INTERSTATE BANKING

Sandra McCray, Consultant

EDUCATION IN PUBLIC
FINANCE

Des Moines

Bernard P. Herber, Chair

PANEL DISCUSSION ON CONTENT OF THE
UNDERGRADUATE PUBLIC FINANCE
COURSE

COMMITTEE ON COMMITTEES

Mezzanine

Harold McClelland,
Chair

Board Room

TUESDAY, SEPTEMBER 27, 1988

8:30 A.M. - REGISTRATION Third Floor
5:00 P.M. Registration Area

9:00 A.M. - ANNUAL MEETING OF THE
9:45 A.M. NATIONAL TAX ASSOCIA-
TION-TAX INSTITUTE OF
AMERICA Salon A-D
Stuart W. Connock, President,
NTA-TIA, presiding

TREASURER'S REPORT

NOMINATING COMMITTEE REPORT

ELECTION OF HONORARY MEMBER

PRESENTATION OF NTA-TIA OUT-
STANDING DOCTORAL DISSERTATION
AWARDS

REPORT OF STANDING AND STUDY
COMMITTEES

9:45 A.M. - SECOND GENERAL Salon A-D
10:00 A.M. CONFERENCE SESSION

REPORT OF THE CONFERENCE
RESOLUTIONS COMMITTEE
Stuart W. Connock, President,
NTA-TIA, presiding

10:00 A.M. - COFFEE BREAK
10:15 A.M.

10:15 A.M. - FOURTH CONCURRENT
12:15 P.M. CONFERENCE SESSION Salon D

CURRENT STRUCTURAL ISSUES IN
THE FEDERAL PERSONAL INCOME
TAX

Donald Kiefer, Congressional
Research Service, Library of
Congress, presiding

STRUCTURAL ISSUES WITH RESPECT
TO TAXATION OF CAPITAL GAINS
Gerald Auten, Bowling Green State
University and U. S. Treasury
Department

THE EFFECTS OF POSSIBLE FURTHER
BASE BROADENING

Yolanda Henderson, Federal
Reserve Bank of Boston

MAKING TAX DEFERRAL HONEST

Gerard Brannon, Consultant
(Washington, DC)

GOALS FOR TAX SIMPLIFICATION AFTER
TRA '86

Pamela Pecarich, Coopers &
Lybrand (Washington, DC)

10:15 A.M. -

FIFTH CONCURRENT

12:15 P.M.

CONFERENCE SESSION

Salon E

RECENT DEVELOPMENTS IN
STATE TAX ENFORCEMENT

William H. Forst, Commissioner,
Virginia Department of Taxation,
presiding

STATE AND LOCAL TAX BURDEN -
NATIONAL COMPARISONS

Mark Gripenrog, Financial
Economist, Office of Economics
and Tax Policy, District of
Columbia Department of Finance
and Revenue

NATIONAL ENFORCEMENT COOPERATION

Harley Duncan, Executive
Secretary, Federation of Tax
Administrators

INTERNATIONAL ENFORCEMENT COOPER-
ATION - NEW YORK EXPERIENCE

Frank Munoz, Deputy Commissioner,
Office of Tax Enforcement, New
York State Department of Taxation
and Finance

10:15 A.M. -

SIXTH CONCURRENT

12:15 P.M.

CONFERENCE SESSION

Salon A&B

NTA-TIA OUTSTANDING DOCTORAL
DISSERTATION AWARDS
PRESENTATIONS

James A. Papke, Purdue University,
presiding

ESSAYS ON DYNAMIC ISSUES IN CORPO-
RATE TAXATION

Rosanne Altshuler, Department of
Economics, Columbia University

ESSAYS ON THE FINANCIAL STRUCTURE
OF STATE AND LOCAL GOVERNMENTS

Gilbert E. Metcalf, Department
of Economics, Princeton University

THE EFFECT OF THE RELATIVE TAX
TREATMENT OF DIVIDENDS AND CAPI-
TAL GAINS ON CORPORATE VALUATION
AND BEHAVIOR

John K. Scholz, Department
of Economics, University
of Wisconsin-Madison

10:15 A.M. - SEVENTH CONCURRENT
12:15 P.M. - CONFERENCE SESSION Salon F&G

ASSESSMENT ADMINISTRATION-
ELECTED OR APPOINTED

John H. Bowman, Department of
Economics, Virginia Commonwealth
University, presiding

ELECTED ASSESSORS

Seth Franzman, Executive Manager,
Arizona Department of Revenue

APPOINTED ASSESSORS

Michael P. Wandmacher, Director,
Local Government Services Divi-
sion, Minnesota Department of
Revenue

ELECTED/APPOINTED ASSESSORS

Larry Street, Chesapeake
(Virginia) City Assessor

PANEL: RESPONSE TO ELECTED
ASSESSORS VS. APPOINTED ASSESSORS

Steven D. Gold, Director of
Fiscal Studies, National Confer-
ence of State Legislatures

Mel Obbink, President-Elect,
Iowa Association of Assessors

Will P. Knedlick, Executive
Secretary, National Conference
of State Tax Judges

INDUSTRY

Thomas J. Kuder, CMI, ALCOA
Corporation

2:00 P.M. - EIGHTH CONCURRENT
4:00 P.M. - CONFERENCE SESSION Salon D

CORPORATE TAX STRUCTURAL
ISSUES IN THE WAKE OF THE
1986 AND 1987 ACTS

Frederic W. Hickman, Hopkins &
Sutter (Chicago, IL), presiding

WHAT'S HAPPENING TO CORPORATE TAX REVENUES

Gillian Spooner (Washington, DC)

COPING WITH THE ALTERNATIVE MINIMUM TAX

Kenneth L. Wertz, Price
Waterhouse & Co. (Washington, DC)

CORPORATE RESTRUCTURING AND TRANSFERS: CHANGES IN THE SCENERY

Bradford L. Ferguson, Hopkins
& Sutter (Chicago, IL)

STRUCTURAL ISSUES IN INTERNATIONAL TAXATION

George N. Carlson, Arthur
Andersen & Co. (Washington, DC)

2:00 P.M.- NINTH CONCURRENT
4:00 P.M. CONFERENCE SESSION Salon E

WHAT DID WE LEARN FROM STATE TAX AMNESTIES?

Ronald C. Fisher, Michigan State
University, presiding

PARTICIPATION IN TAX AMNESTY:
EVIDENCE FROM A STATE

David Joulfaian, Office of
Tax Analysis, U. S. Treasury
Department

AMNESTY FOR STATE TAX EVADERS:
LESSONS FROM THE CALIFORNIA
EXPERIENCE

Steven E. Crane, Department of
Economics, Marquette University

Farrokh Nourzad, Department of
Economics, Marquette University

PARTICIPATION IN STATE TAX AMNESTY:
BUSINESSES AND INDIVIDUALS COMPARED

Ronald C. Fisher, Michigan State
University

John H. Goddeeris, Michigan State
University

DISCUSSANTS

Ranjana G. Madhusudhan, New
Jersey Division of Taxation

Thomas F. Pogue, The University
of Iowa

2:00 P.M. - TENTH CONCURRENT
4:00 P.M. CONFERENCE SESSION Salon F&G

THE ROLE OF THE STATE IN
PROPERTY TAXATION

Michael Bell, The Urban
Institute, presiding

MARYLAND - STATE CONTROLLED
ASSESSMENTS

William H. Riley, III, Assistant
Director, Maryland Department of
Assessment & Taxation

PROGRESSIVE STATE INVOLVEMENT WITH
LOCAL ASSESSMENTS

James Brodie, Director, South
Carolina Property Tax Division

A CURRENT ANALYSIS OF STATE CONTROL

Gene Eich, Chief, Assessment &
Assistance Bureau, Iowa Depart-
ment of Revenue & Finance

PANEL: RESPONSE TO THE ROLE OF
THE STATE

Steven D. Gold, Director of
Fiscal Studies, National Con-
ference of State Legislatures

Mel Obbink, President-Elect,
Iowa Association of Assessors

Will P. Knedlick, Executive
Secretary, National Conference
of State Tax Judges

INDUSTRY

Thomas J. Kuder, CMI, ALCOA
Corporation

6:30 P.M. - IOWA FEST Iowa Historical
Building
"SEE AND SAVOR" IOWA
Transportation provided

WEDNESDAY, SEPTEMBER 28, 1988

9:00 A.M. - REGISTRATION Third Floor
11:30 A.M. Registration Area

9:30 A.M. - ELEVENTH CONCURRENT
11:30 A.M. CONFERENCE SESSION Salon D

SALES TAXATION OF INTERSTATE
TRANSACTIONS

William F. Fox, University,
Tennessee, presiding

A NATIONAL OVERVIEW OF STATE TREAT-
MENT OF INTERSTATE TRANSACTIONS

John Mikesell, Indiana University

TAXATION OF SERVICE PURCHASES BY
MULTISTATE BUSINESS

Bill Townsend, General Counsel,
Florida Department of Revenue

TAXATION OF OUT-OF-STATE RETAILERS

John James, Commissioner,
Minnesota Department of Revenue

DISCUSSANTS

Jerome Geis, Briggs & Morgan
(St. Paul, MN)

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

9:30 A.M. - TWELFTH CONCURRENT
11:30 A.M. CONFERENCE SESSION Salon E

PUBLIC UTILITY TAXATION ISSUES

Donald Reuther, Director of
Property Tax, ANR Pipeline
Company, presiding

ECONOMICS-BASED METHODS OF DEPRECI-
ATION FOR PUBLIC UTILITY PROPERTY

Hy Sanders, Coopers & Lybrand
(Washington, DC)

MAINTAINING AN EQUALIZATION
SYSTEM - THE TENNESSEE EXPERIENCE

Jerry C. Shelton, Esquire, Lyell,
Eades, Seaman and Shelton
(Nashville, TN)

CONFERENCE COMMITTEES

PROGRAM

CO-CHAIRS

William H. Forst
Virginia

William F. Fox
Tennessee

Richard E. Perkins
Connecticut

MEMBERS

Gerald D. Bair	Iowa
Robert D. Ebel	District of Columbia
Ronald C. Fisher	Michigan
Frederic W. Hickman	Illinois
Donald Kiefer	Virginia
Ross J. McVey	Wisconsin
John R. Mendenhall	New York
Thomas F. Pogue	Iowa
Kenneth D. Simonson	District of Columbia

LOCAL ARRANGEMENTS

CHAIR

Gerald D. Bair
Iowa Department of Revenue & Finance

MEMBERS

Karen Cram	Iowa Department of Revenue & Finance
Nick Doegnes	Davenport City Assessor
Rusty Goode	Iowa Society of CPA's
Jerry L. Hadenfeldt	Meredith Corporation
Bill Jackson	Iowa Department of Cultural Affairs
Ron Langston	Des Moines Chamber of Commerce Federation
David Lawrence	Drake University
John Lewis	Iowa Utility Association
Bonnie Mackin	Iowa Department of Revenue & Finance
Cindy Morton	Iowa Department of Revenue & Finance
Rick Phillips	Iowa Taxpayers's Association
John (Jack) Soener	Iowa Association of Business & Industry

OFFICERS AND BOARD OF DIRECTORS

ELECTED OFFICERS

PRESIDENT

Stuart W. Connock Commonwealth of Virginia

FIRST VICE PRESIDENT

Daniel M. Holland MIT

SECOND VICE PRESIDENT

Frederic W. Hickman Hopkins & Sutter

SECRETARY

Janet L. Staton NTA-TIA

TREASURER

Arthur D. Lynn, Jr. The Ohio State University

BOARD OF DIRECTORS

PAST PRESIDENTS

Richard W. Brust 3M Company

Roy W. Bahl Syracuse University

ELECTED MEMBERS

J. Richard Aronson Lehigh University

Gerald D. Bair Iowa Department of
Revenue

John R. Baldwin New Jersey Division of
Taxation

Robert A. Bohm University of Tennessee

Harvey Brazier University of Michigan

Ernest S. Christian Patton, Boggs & Blow

Roderick G. W. Chu NYS Department of
Taxation & Finance

Harley T. Duncan Kansas Department of
Revenue

Robert D. Guy The Coca-Cola Company

S. Hunter Howard South Carolina Tax
Commission

Bernard Jump, Jr. Syracuse University

Robert N. Mattson IBM

James H. Peters McDermott, Will & Emery

John Shannon ACIR

Michael Wiseman University of California

HONORARY MEMBERS

Richard M. Bird University of Toronto

Douglas Sherbaniuk Canadian Tax Foundation

EXECUTIVE DIRECTOR

Frederick D. Stocker



National Tax Association
Tax Institute of America
5310 East Main Street
Columbus, Ohio 43213