

NTA Forum

Perspectives, Ideas and News from the National Tax Association

Fall, 1993

From the Editor

Only in the loosest sense is the income tax, as known in the United States, truly a tax on income in the Haig-Simons concept. As is well known, not all economic income is taxed when received, some of it escaping tax altogether. Tax on many kinds of saved income can be postponed until the savings are spent, a characteristic of consumption taxation that makes the income tax, in Charles L. Vehorn's term, something of a hybrid.

Drawing on his experience with tax systems of other countries as well as that of the U.S., Vehorn calls attention to many other hybrid features of tax systems — provisions that call for a single instrument (the tax) to perform several sometimes conflicting functions. His comments focus especially on the often ignored, and often very substantial, administrative and compliance costs of such hybridization.

Few would argue that the tax structure and administration should never be used for nonfiscal objectives. Nor does Vehorn go this far. He urges, however, that much more thought and attention needs to be given by policy makers to the consequences of such hybridization.

Charles L. Vehorn is a Senior Economist with the International Monetary Fund, where his work on tax administration has focused primarily on countries in transition, notably Poland, Ukraine, and China.

The Editor invites comments on Vehorn's views. These should be addressed to the NTA office. The *NTA Forum* also welcomes suggestions for or submissions of short articles on other topics that would be of interest to the wide range of professionals represented in NTA membership. ♦

Hybrid Tax Systems: The Administrative Dimension

by Charles L. Vehorn

Fiscal Affairs Division, International Monetary Fund



Charles L. Vehorn

The problems of a hybrid tax system have usually been debated on a theoretical level between those favoring comprehensive income as the appropriate tax base and those favoring consumption. Those favoring income note that the Haig-Simons definition of taxable income (consumption plus changes in net worth) is the ideal tax base because it captures income from all sources. Those favoring consumption argue that changes in net worth (saved income) should be excluded from taxation until that accumulation is consumed.

Neither side is happy with the current U. S. income tax which is a cross, or hybrid, between the two ideal tax bases. Certain forms of saved income are deferred from taxation, for example, accu-

mulations in qualified pension plans. Also, certain forms of consumption are not taxed, for example, returns on owner-occupied housing.

It is argued that these departures from the ideal tax base tend to create abuses and distort economic behavior. Yet tax laws throughout the world contain hybrid features, which add multiple dimensions to tax systems.

The income versus consumption debate is not the only hybrid aspect of most tax systems. Various tax policy proposals have attempted to create hybrid financial instruments, which are taxed differently in the hands of the borrower and lender or take advantage of certain circumstances. One example is a financial instrument that is treated as debt for tax purposes and equity for accounting purposes. The tax advantage is that the interest costs are deductible, but the firm's debt/equity ratio does not rise. Also, within the European Community a 1 percent capital duty is assessed on equity, but not on debt.

Another hybrid spawned by the U. S. tax system is the S corporation. It is taxed like a partnership under some circumstances and like a corporation under other circumstances. The various hybrids in tax systems affect the efficiency and effectiveness of tax administration, and in some case even make the tax administration itself a hybrid, which performs tasks that are not purely tax administration.

This paper considers the experiences of various countries in dealing with tax system complexity as it affects tax ad-

(continued on page 2)

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ministration and compliance costs. In some countries tax administration has been simplified, in others the need for simplification has been realized and the process is beginning, in still other countries tax administrations are moving in the opposite direction by becoming more complex.

Legislators' Dilemma

One important function of a legislative body is to manage conflict. Conflicts arise over both the revenue and expenditure sides of the budget. If these conflicts can not be resolved legislative bodies may end up paralyzed. In many of the countries of the former Soviet Union, legislative bodies have been unable to act, unable to find some compromise, particularly with respect to economic reforms, that would allow them to balance the objectives of competing interests. Of course, the incentive to get re-elected makes it more difficult to manage conflict and come up with workable compromises, especially if legislators fear that their constituencies will not accept a compromise solution.

Sometimes a framework that sets constraints or boundaries around various proposals is needed. The process of enacting the U. S. Tax Reform Act of 1986 shows how the constraints of revenue neutrality and distributional neutrality set boundaries within which policymakers could make trade-offs. The result was a relatively comprehensive tax reform that broadened the base, lowered the rates, helped families, and eliminated certain complicated provisions.

Unfortunately the goal of simplification, in terms of ease of administration and cost of compliance, was not fostered to the same extent as the goals of efficiency and equity. The legislative process in most countries rarely places sufficient emphasis on the burden of administration or the cost of compliance. New Zealand's law on the value-added tax (VAT) is one exception where administrative ease was taken into consideration. The law has a single rate and a broad base, thereby avoiding many administrative complications associated with defining the base and deciding which specific goods are taxed and at which rates.

Administrative Costs

Costs With Respect to Overall Tax Administration

Tax systems can become unduly complicated if legislatures establish additional taxes to satisfy revenue gaps rather than increasing the rates or broadening the base of existing taxes. This process occurred in Latin America where the tax systems became so cumbersome that very few taxpayers and tax officials could understand the details of the system. Before undertaking tax reform, Argentina had close to 100 separate taxes and Costa Rica had at least 200. The obvious need to prune the tax systems of many Latin American countries helped

The legislative process in most countries rarely places sufficient emphasis on the burden of administration or the cost of compliance.

spur the Latin American tax reform efforts of the 1980's. These reform efforts had a clear goal of simplification through eliminating minor taxes along with burdensome and ineffective administrative procedures. These minor taxes have been shown to bring in very little revenue relative to their administrative and compliance burdens.

Perhaps the most extreme Latin American example is Bolivia, which had over 400 separate national, departmental, and municipal taxes before their reform effort. The collection process was so overburdened that in some cases it took almost 16 months to update the payment records of taxpayers. Despite all these taxes, Bolivia collected revenue equal only to about 1 percent of GDP in 1985. The reform, which was implemented in 1987, drastically reduced the number of taxes to seven and by 1990 tax revenue as a share of GDP rose to 7.4 percent.

China is currently trying to reform a tax system that has numerous taxes, including seven income taxes, five taxes on goods and services, and a wide variety of taxes on property and resources. The tax system places taxpayers into various categories, then applies a separate income or product tax, with distinct rules, depending on the taxpayer's category. Chinese enterprises are treated differently from foreign corporations; state-owned firms are treated differently from private firms; collective enterprises receive different tax treatment from that given household enterprises; and Chinese citizens are treated differently from foreigners.

In most cases, the Chinese tax system is not one of voluntary compliance through self assessment. Thus, Chinese tax officials must first determine a given taxpayer's category and the particular taxes that apply to that taxpayer. Then the tax officials must assess the appropriate amount of taxes based on their understanding of the various tax laws. If the taxpayer disagrees, a negotiation process may commence. The net effect is that rule by negotiation rather than rule by law takes precedence, as tax officials are unable to enforce effectively so many cumbersome and confusing tax laws.

Costs with Respect to Certain Hybrid Provisions

Various tax provisions add complexity to the calculation of taxable income. In the U. S., as well as other countries, certain forms of interest expense are deductible (home mortgage interest) while others are not (interest on car loans), certain forms of interest earned receive a tax deferral (interest on pension accounts), others do not (interest from passbook savings accounts). The provisions that make the income tax base a hybrid generally result in additional administration costs. These provisions can be so complicated that taxpayers, failing to understand them fully, make errors in calculating taxable income. Then the tax administration must expend resources to detect and correct the errors. Detection is relatively simple if computer matching can be used. However, correction of the problem may be time consuming in notifying the taxpayer, explaining the error,

and ensuring that any additional tax liability is paid.

A close-to-home example of additional administrative costs can be seen in the earned income tax credit, which adds another dimension to calculation of taxable income. Over 10 million low-income workers with children can receive economic assistance through the tax code. The credit can be paid in advance or as an annual lump-sum along with any refund due. The IRS must determine eligibility for the credit, based on the worker's tax return, and then determine whether eligible workers already received advanced payment or not. Only 0.5 percent of those eligible received advance payment in 1989, but nearly half of these failed to report it on their tax returns. In those cases the IRS may make an overpayment of the credit.

Some workers receiving advance payment fail to file a return. Through computer matching of W-2 information, IRS can eventually identify both those who failed to report receiving advance payment and those failing to file a return. Unfortunately, many W-2s reporting advance payment of the credit were in error, which meant that additional tax administration time and energy was expended to make the necessary corrections. Advance payment may provide a

few extra dollars to a small fraction of eligible families, but the administrative costs may be excessive relative to the benefits received.

Costs of Tasks Unrelated to Tax Administration

Sometimes policymakers place excessive confidence in the tax administration. Instead of confining the tax administration to the primary role of promoting voluntary compliance and collecting the taxes that are due at minimum cost, policymakers expand the role of the tax administration by creating responsibilities and functions outside of pure tax administration functions. In doing so policymakers risk the possibility that less resources will be allocated to the primary objectives of tax administration—collecting tax revenue and promoting voluntary compliance.

One example of this cost is the requirement that the IRS run a refund offset program. This program was designed to identify taxpayers with delinquent nontax federal debts, as specified by other federal agencies, and offset their tax refund against their nontax debt. The program began in 1982 with offsets of taxpayers who were delinquent in child and spousal support payments, if the custodial parent was receiving welfare. Sub-

NTA to Honor Carl S. Shoup

The National Tax Association will present the first Daniel M. Holland Memorial Medal to Carl S. Shoup, Professor Emeritus of Economics, Columbia University.

The Holland Medal, established in memory of the beloved former NTA President and long-time editor of the *National Tax Journal*, recognizes "distinguished lifetime contributions to the study and practice of public finance."

Throughout his long and exceptionally productive professional career, Carl Shoup has contributed significantly to the literature on many different topics in public finance. His 1969 treatise *Public Finance* stands as one of the landmarks in the field. He has served as advisor to governments both here and abroad, and

has mentored countless scholars, not least of them Dan Holland, who have gone on to distinguished careers of their own.

The very first issue of the *National Tax Journal*, in March 1948, contained an article by Carl Shoup. His most recent *NTJ* article appeared in June 1989, and many others appeared in between. He attended his first NTA Conference in 1928 and has been a frequent conference participant ever since.

Shoup served as President of NTA in 1948-49 and was elected an Honorary Member in 1970.

Presentation of the Holland Medal will take place during the 86th Annual Conference in St. Paul, at the conference luncheon on Monday, November 8. ♦

sequently, the program was expanded to include non-welfare child and spousal support cases, as well as debts for certain federal loans provided by the Small Business Administration, Veterans Administration, and the Departments of Education, Agriculture, and Housing and Urban Development.

This program effectively places the IRS in a position of debt collector for the federal government. It causes concern among tax administrators, not only because of the resources that must be allocated to the program, but also because noncompliance may increase among taxpayers who are indebted to the federal government. The IRS conducted various studies to measure the degree of non-compliance. Although the IRS research method has been criticized, the findings suggest that more taxpayers in the offset group, relative to a control group, either did not file a return in the tax year following an offset or else filed a return with an underpayment of the full tax liability.

The New Zealand tax administration not only collects taxes but is charged with the responsibility of managing a Child Support Agency. The purpose of this program, which began in July 1992, is to reduce children's dependency on the state by assessing and collecting child support from parents who do not live with their children. The goals of the program include assessing liabilities accurately and promptly, making sure that liable parents pay the complete amount on time, assuring that correct payments are received by the custodial parents, and ensuring that action is taken against those who fail to comply with the law. Creating such an agency turns the tax administration into a hybrid and sets a dangerous precedent that may result in still other programs being assigned to the tax administration.

Another example comes from tax administrations in Eastern Europe and the former Soviet Union. In some countries the tax administration must perform a budget function of allocating revenue to the appropriate regional or local government budget. This task is complicated by various revenue sharing formulas that allocate a certain portion of tax "a" from enterprise "b" to local government "c" for purpose "d." In these countries the

tax administration also had been required to perform non-tax audits with regard to the economic plan to determine if state-owned enterprises were meeting goals established in the plan. When weak tax administrations are required to perform tasks that are not purely tax related, the result is to weaken tax administration further, with possible adverse effects on macroeconomic policy if the country is running a deficit and needs to collect more revenue.

Costs with Respect to Intergovernmental Relations

In countries with federal systems, each level of government may have its own tax administration, resulting in mul-

Chinese tax officials must first determine a given taxpayer's category and the particular taxes that apply to that taxpayer. Then the tax officials must assess the appropriate amount of taxes based on their understanding of the various tax laws.

tiplied tiers of tax collection. Sometimes tax administrations at different levels collect the same tax. For example, in Brazil the VAT is multitiered, collected at both the federal and state levels. The federal government levies a multiple-rate VAT on industrial products and the states levy a multiple-rate VAT on all products, including the circulation of merchandise and services. The state tax administrations end up duplicating the effort of the federal government tax administration, even though almost half of the federal VAT revenue is shared with the states. To further complicate matters, the state tax administrations must maintain two different sets of procedures for

invoices of goods shipped between states and goods shipped within a state. This multitiered VAT is inefficient from a tax administration perspective because of overlapping and duplication of effort.

Compliance Costs

Costs of Certain Hybrid Provisions

During the debate over tax reform in 1986, Congress became convinced that some taxpayers had taken excessive advantage of various tax preferences (exclusions, deduction, credits, and allowances) that made the income tax a hybrid. While some tax preferences were repealed, others were placed under a tighter constraint—the alternative minimum tax. The alternative minimum tax acknowledges the hybrid character of the income tax and attempts to constrain taxpayers from using tax preferences excessively. The rationale behind the alternative minimum tax was to preserve both horizontal and vertical equity and to restore a high level of confidence in the basic fairness of the tax system.

The cost of the alternative minimum income tax, however, is increased complexity, particularly when deferral preferences are included in the tax base. Taxpayers who think they might be subject to the alternative minimum tax must calculate their tax liability twice and pay the higher amount. Tax planning is made more difficult, especially for those taxpayers who may be subject to the alternative minimum tax in some years and the regular tax in other years.

Another example of increased compliance cost has arisen from the recent debate over whether business meals represent consumption or are a legitimate expense of doing business. TRA-86 reduced the deduction for business meals from 100 percent to 80 percent, and a provision of OBRA-93 reduces the deduction further to 50 percent. Compliance costs for businesses claiming this deduction will not necessarily increase, but the restaurant industry complained strongly that the reduced deduction will cost thousands of restaurant jobs. In response, the Congress granted restaurants a credit for a portion of employer social security taxes paid with respect to em-

ployee cash tips (the credit applies to tip income in excess of tips treated as wages to satisfy a minimum wage provision). The credit applies only to food or beverages served on the premise, so if the restaurant is also a carry-out or part of a business, like a hotel restaurant, the taxpayer must allocate the credit based on those employees that qualify. To prevent double dipping, no deduction is allowed for the amount taken as a credit.

It is not clear how this complicated provision will save jobs, but it is clear that the compliance costs for most restaurants will rise. These taxpayers will have to learn the nuances of the new rules and then revise their accounting practices to provide them with the necessary data to calculate the credit.

Costs of Filing and Paying Taxes

As a tax system becomes more and more complicated over time with the addition of various exemptions, deductions, and credits, the burden of compliance increases. Taxpayers must spend additional time asking questions or reading complicated instruction manuals to determine if their particular circumstance makes them eligible for a given tax preference. Countries that have undertaken comprehensive tax reform have been able to simplify procedures and reduce the paperwork burden placed on taxpayers. Colombia, for example, reduced the number of lines on its corporate income tax return from 420 to 55 and on its personal income tax return from 210 to 41.

Uruguay offers another example. There, the tax returns required an excessive amount of information, which may have been considered useful by some who viewed the tax administration as an agency that collected economic data as well as revenue. Unfortunately, the Uruguay tax administration did not have sufficient resources to process all the data on tax returns, so the information was never utilized as an additional source of economic data. Part of tax reform consisted of reducing the amount of data required on tax forms, along with a reduction in the number of forms. For example, in order to pay the corporate income tax and tax on capital, taxpayers had to file eight separate returns. The tax reform effort re-

duced that to a single return. The reform also combined the tax return and payment forms for the largest taxpayers and plans have been developed to extend this measure to all taxpayers.

This elimination of paper work has made it easier for the taxpayers of Uruguay to pay their taxes and easier for the tax administration to perform its enforcement activity. Also, the efficiency of the tax administration has improved as its overall costs in 1992 fell to 0.88 percent of revenue collected, the lowest cost ratio since 1974.

Other countries are beginning to realize the importance of tax simplification. Italy has just started an initiative to reduce compliance costs, which includes streamlining a personal income tax return that is 28 pages in length.

Countries that have undertaken comprehensive tax reform have been able to simplify procedures and reduce the paperwork burden placed on taxpayers.

Costs of Complying with Federal, State, and Local Taxes

In the U. S. the federal government and most state governments impose a personal income tax. The taxpayer must calculate his or her taxes for both the federal and state governments and file two separate income tax returns—one with the IRS and the other with the state. If the taxpayers move to another state during the year, more than two returns may be required.

In Canada, in contrast, both federal and provincial income taxes are collected by the federal government, with the exception of Quebec. Taxpayers file one unified (federal and provincial) tax return and calculate their provincial tax as a percentage of their federal tax. The percentage may vary depending on the taxpayer's province because each province

has the authority to set its own rate. If a taxpayer has moved during the year, the province of residence on December 31 receives the tax revenue for the whole year. The federal government pays an estimated amount to the provinces during the year and calculates a final reconciliation after all tax returns are received.

Conclusions: The Role of Policy Analysis

While most countries have hybrid tax systems, some are less complicated than others due to recent moves toward simplification. These successes were often associated with attempts to resolve a political crisis, which often establishes an atmosphere conducive to reform of tax policy and tax administration. Some countries have achieved significant simplification, and others are attempting to simplify. A few are increasing rather than reducing the burdens of tax administration and compliance. All illustrate how hybrid tax systems affect both administrative and compliance costs.

When tax policy is separated from tax administration, the costs of administering and complying with the tax system can expand rapidly, as policymakers craft detailed compromises that ensure legislative enactment, but overlook administrative considerations. Many times tax policy analysts provide policymakers a careful review of a proposed provision's distributional, efficiency, and revenue effects, but ignore the effect on tax administration. Questions such as the following need to be answered: How will the current procedures be changed? How will tax forms be changed? (Remember the difficulties after tax reform in 1986 when most taxpayers could not understand a newly designed W-4; additional work was required to redesign and simplify the form.) Will there be a need for more staff? Will the enforcement of the proposed provision be straight forward? Will taxpayers be able to understand their obligation under the proposed provision? If tax policy analysts were to address these questions specifically in their reviews, policymakers would be in a better position to understand the full effects of a proposed provision. ♦

NTA Sessions At ASSA Conference

NTA will sponsor three conference sessions at the annual meetings of the Allied Social Sciences Associations, principal among which is the American Economic Association. The NTA sessions have been organized by a committee headed by Prof. Robert A. Bohm, of the University of Tennessee.

These meetings will be held January 3-5, 1994, in Boston. Exact dates and times for the NTA sessions have not yet been fixed.

The programs are as follows:

Regional Effects of Federal Fiscal Policies

(Joint with the American Economic Association)

Presiding: David E. Wildasin, Vanderbilt University

Papers:

Taxation in Lumpy Countries, by Paul N. Courant, Alan V. Deardorff, and David Hummel (University of Michigan)

The Geographic Incidence of a BTU Tax, by Gilbert E. Metcalf (Princeton University) and Kevin Hassett (Board of Governors, FRS)

Fiscal Externalities as a Source of Regional Heterogeneity, by Mary Lovely and Douglas Nelson (Syracuse University)

Discussants: Carsten Kowalczyk (Dartmouth College), Lawrence Goulder (Stanford University), and David Wildasin (Vanderbilt University)

Issues in State/Local Tax Structure Design

Presiding: Robert A. Bohm, University of Tennessee

Papers:

State Tax Structures and Multiple Policy Objectives, by Helen F. Ladd and William M. Gentry (Duke University)

Estimating the Determinants of State Tax Structures, by James Alm (University of Colorado)

Using the Service Mix to Export Urban Fiscal Distress, by Kathy J. Hayes (Southern Methodist University) and Lori L. Taylor (Federal Reserve Bank of Dallas)

Discussants: Jeffrey Zax (University of Colorado), Mary E. Lovely (Syracuse University), and David E. Wildasin (Vanderbilt University)

Taxation, Public Expenditures and the Environment

Presiding: Helen F. Ladd (Duke University)

Papers:

Taxation, Migration and Pollution, by David E. Wildasin (Vanderbilt University) and Agnar Sandmo (Norwegian School of Economics)

Siting Solid Waste Incinerators as a Public Expenditure Decision, by Michael P. Kelsay (Indiana University, Fort Wayne) and Robert A. Bohm (University of Tennessee)

Incidence of Environmental Taxes Annual v. Lifetime Measures, by Diane Lim Rogers (Pennsylvania State University)

Discussants: Deborah Nestor (US EPA), Lori L. Taylor (FRB of Dallas), and Leslie Whittington (University of Maryland) ♦

Conference Session to Assess 1993 Budget Act

The highly controversial Omnibus Budget Reconciliation Act of 1993 will come under scrutiny at the First General Session of the 86th Annual NTA Conference in St. Paul.

An all-star panel chaired by Lowell Dworin, Director of the Treasury Department's Office of Tax Analysis, will take "A Critical Look at OBRA 93 and Beyond". Panelists are:

- Dan Feenberg, National Bureau of Economic Research;
- Rosemary Marcuss, Congressional Budget Office;
- C. Eugene Steuerle, Urban Institute;
- John F. O'Hare, Joint Committee on Taxation; and
- Robert Carroll, OTA.

The session is scheduled for 10:00 AM on Monday, November 8, immediately following the Opening Session.

A conference registration packet was mailed to all NTA members in late August. If you did not receive yours, or if you want another for a colleague, please phone the NTA office. ♦

60 Years Ago with the NTA

Section IV. The Proposed Personal Income Tax

"Section 12. The present Committee . . . recommends that the states should adopt the personal income tax as the tax best fitted to carry out the principle . . . that every person having taxable ability should pay a direct tax to the state in which he is domiciled and from which he receives the personal benefits that government offers. It knows no other means of accomplishing this end . . .

"By the personal income tax we mean a tax levied upon persons with respect to their entire net incomes, which are to be taxed, not objectively as incomes, but as elements determining the taxable ability of the persons who receive them. Such a tax is as fair in principle as any tax can be; under proper conditions it can be well administered by an American state; and in principle it has met with increasing favor during the last twenty-five years, as is proved by the fact of its adoption by a large number of states."

Prof. Charles J. Bullock, President, Harvard Economic Society, in the "Second Report on a Plan of a Model System of State and Local Taxation", a sixty-seven page report presented at the Twenty-Sixth Annual Conference held in Phoenix, Arizona, October 16-19, 1933.

Special Seminar on Taxation of Financial Services

A special NTA seminar on Financial Services Taxation is planned for February 23-24, 1994. The place will be the Belleview Mido Resort Hotel in Clearwater, Florida.

Planning is under the auspices of the NTA Committee on Taxation of Financial Services, Products and Institutions, chaired by Tom Neubig.

The conference will be unique in focusing on tax issues that cut across all of the different financial services sectors. Program sessions will include:

- Trends and Developments in the Financial Services Sector
- Compliance Costs
- New Financial Service Products; How Should They Be Taxed?
- Issues in the Taxation of Financial Service Providers
- International Taxation of Financial Services
- Emerging State Tax Issues
- Asset Securitization Tax Issues
- Consumption Taxation of Financial Services

Mark your calendar now for this timely conference. Full details and registration materials will be mailed to all NTA members well in advance of the seminar.

Anyone interested in presenting a paper or serving as a discussant should promptly contact Tom Neubig, Director of Financial Sector Economics, Price Waterhouse, at 202-778-1746. ♦

To Set the Record Straight

Ronald B. Welch, Secretary of NTA 1947-57 and an Honorary Member since 1975, assures his NTA friends and colleagues that rumors of his death are greatly exaggerated.

These rumors trace to a misplaced asterisk, indicating "deceased", in the list of Honorary Members on page 211 of the *Proceedings of the Eight-Fifth Annual Conference, 1992*.

Ron is in good health and remains active, golfing regularly and tending to his lawn, and he maintains a keen interest in tax developments, especially those resulting from California's infamous Proposition 13.

The embarrassed editor apologizes to Ron and to NTA members for the errant asterisk. ♦

Future NTA Annual Conferences

November 7-10, 1993

St. Paul, MN, Radisson St. Paul

November 13-16, 1994

Charleston, SC, Omni Hotel Charleston

October 8-11, 1995

San Diego, CA, Doubletree Hotel

Back Issues of the NTJ

If you need to fill gaps in your set of *National Tax Journals* or *Proceedings* of the Annual Conference on Taxation, the NTA office has available extra copies of *most* issues for the past decade.

The price is \$12.50 per copy for the *NTJ* and \$25 for the *Proceedings*, plus postage and handling. Phone first to make sure the copies you are interested in are available. ♦

We invite you to join us in our work

APPLICATION FOR MEMBERSHIP

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I wish to become a member of the National Tax Association.

My check for \$_____ is enclosed for the payment of annual dues. I understand that \$50.00 of my dues (\$55.00 for foreign members) covers the subscription cost of *The National Tax Journal*, and that I will receive the *Proceedings of the Annual Conference*, the *NTA Forum*, and all other publications of the Association at no additional cost.

Sustaining Member	\$ 500.00 or more
Corporation or Government Agency	\$ 300.00*
Professional, corporate employee, others	\$ 120.00
Library	\$ 100.00
Government employee or academic	\$ 70.00
Full-time student or inactive retiree	\$ 15.00

* Allows up to three individuals in case of corporations, up to five in case of government agencies.

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New Members

The Association is pleased to welcome the following new members who have joined between July 1, 1993 – September 30, 1993

NAME	STATE OR COUNTRY	NAME	STATE OR COUNTRY
Morrie Anderson	MN	Loyola University	LA
Marcus Berliant	NY	Dorothy McClung	MN
Robert Cline	MN	Debra M. McMartin	MN
Phyllis V. Copeland	LA	Lillian Mills	MI
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