



NATIONAL TAX ASSOCIATION

NTA

**38th Annual Spring Symposium
and
State-Local Tax Program**

NOW for SOMETHING
COMPLETELY DIFFERENT:

**TAX POLICY AT THE CHANGE
IN THE PRESIDENCY**

**May 15-16, 2008
Holiday Inn Capitol
Washington DC**

★ **REGISTRATION — Columbia Foyer**
Thursday, May 15, 7:45 AM - 2:30 PM
Friday, May 16, 8:00 AM - 12:30 PM

★ **President**
Ranjana Madhusudhan

★ **Program Chair**
Thomas Barthold

★ **Executive Director**
J. Fred Giertz

★ **All sessions will meet in the COLUMBIA BALLROOM** ★

★ **THURSDAY, MAY 15** ★

8:45–9:00 AM

WELCOME AND INTRODUCTION

9:00–10:30 AM

RETROSPECTIVE on EGTRRA & JGTRRA

Organizer/Moderator: *Andrew Lyon, PricewaterhouseCoopers*

Robert Carroll, American University and The Tax Foundation, Geoffrey Gee and Gerald Auten, U.S. Treasury Department, Office of Tax Analysis—The 2001 and 2003 Tax Rate Reductions: Was There a Taxable Income Response?

Doug Elmendorf, Jason Furman, and William Gale, The Brookings Institution—Dynamic Distributional Effects of the EGTRRA and JGTRRA Tax Cuts

Alon Brav, John R. Graham, and Campbell R. Harvey, Duke University, and Roni Michaely, Cornell University and IDC—Managerial Response to the May 2003 Dividend Tax Cut

Discussants: *Joseph Cordes, George Washington University; William Gentry, Williams College; Pamela Moomau, Joint Committee on Taxation*

10:30–10:45 AM BREAK

10:45–12:15 PM

TAX POLICY AND THE PRESIDENTIAL ELECTION: INSIGHTS FROM THE CAMPAIGN TRAIL

Organizer/Moderator: *William Gale, The Brookings Institution*

Douglas Holtz-Eakin, John McCain 2008

Jason Furman, The Brookings Institution

Kevin Hassett, The American Enterprise Institute

12:30–1:45 PM

LUNCHEON - DISCOVERY BALLROOM

Speaker: *The Honorable Charles Rangel, Chairman of the House Committee on Ways and Means*
Presentation of Davie-Davis Award for Public Service by *Janet Holtzblatt, Congressional Budget Office*

2:00–3:30 PM

ISSUES IN PASS-THROUGH ENTITIES

Organizer/Moderator: *Nicholas Bull, U.S. Congress, Joint Committee on Taxation*

Nicholas Bull, U.S. Congress, Joint Committee on Taxation and Paul Burnham, Congressional Budget Office—Taxation of Capital and Labor: The Diverse Landscape by Entity Type

Susan Nelson, U.S. Treasury Department, Office of Tax Analysis—Sole Proprietorships: A Closer Look

Alan Viard, The American Enterprise Institute—Taxing Carried Interest: Understanding the Issues

Discussants: *Laurie Coady, U.S. Congress, Joint Committee on Taxation; Thornton Matheson, U.S. Treasury Department, Office of Tax Analysis*

3:30–3:45 PM BREAK

3:45-5:15 PM

RETHINKING THE U.S. CORPORATE INCOME TAX

Organizer/Moderator: *Thornton Matheson, U. S. Treasury Department, Office of Tax Analysis*

James R. Hines Jr., University of Michigan—Reconsidering the Taxation of Foreign Income

Matthew Knittel, U.S. Treasury Department, Office of Tax Analysis—Did Bonus Depreciation Stimulate Corporate Investment? Evidence from Tax Data

Daniel Shaviro, New York University School of Law—The Optimal Relationship Between Taxable Income and Financial Accounting Income: Analysis and a Proposal

Discussants: *Rosanne Altshuler*, Rutgers University; *Thomas Neubig*, Ernst & Young;
Lillian Mills, University of Texas at Austin

5:30-6:30 PM RECEPTION - DISCOVERY BALLROOM

★ FRIDAY, MAY 16 ★

8:45-10:15 AM

CAN TAX POLICY SAVE THE PENGUINS? TAX POLICY AND THE ENVIRONMENT

Organizer/Moderator: *Curtis Carlson, U.S. Treasury Department, Office of Tax Analysis*

Gilbert Metcalf, Tufts University—Empirical Analysis of Energy Tax Preferences

Ian Parry, Resources for the Future and *Eduardo Ley*, The World Bank—A Tax-Based Approach to Slowing Global Change

David Austin, Congressional Budget Office—The Role of Fuel Taxes in Curbing CO₂ Emissions in Private Transportation

Discussants: *Salvatore Lazzari*, Congressional Research Service; *William A. Pizer*, Resources for the Future;
John Horowitz, University of Maryland, College Park

10:15-10:30 AM BREAK

10:30-NOON

TAXATION AND HOUSING

Organizer/Moderator: *Robert Dietz, National Association of Home Builders*

James Poterba, Massachusetts Institute of Technology and *Todd Sinai*, University of Pennsylvania—Comparing the Distributional Effects of Limiting Property Tax and Mortgage Interest Deductions

Kurt Usowski and *Michael Hollar*, U.S. Department of Housing and Urban Development, Office of Policy Development and Research—Social Policy and the U.S. Tax Code: The Curious Case of the Low-Income Housing Tax Credit

Robert Willens, Robert Willens, LLC—A New Exception to the General Rule That Provides That Discharged Debt Is Gross Income

Discussants: *Lori Stuntz*, U.S. Congress, Joint Committee on Taxation; *Pamela Jackson*, Congressional Research Service;
Roberta Mann, Widener University School of Law

★ PROGRAM COMMITTEE:

Thomas Barthold, Joint Committee on Taxation, CHAIR

Gerald Auten, U.S. Treasury Department, Office of Tax Analysis

Nicholas Bull, U.S. Congress, Joint Committee on Taxation

Curtis Carlson, U.S. Treasury Department, Office of Tax Analysis

Robert Dietz, National Association of Home Builders

William Gale, The Brookings Institution

Jane Gravelle, Congressional Research Service

Andrew Lyon, PricewaterhouseCoopers

Thornton Matheson, U.S. Treasury Department, Office of Tax Analysis

Pamela Moomau, Joint Committee on Taxation

Kathleen Toma, U.S. Treasury Department, Office of Tax Analysis

Thomas Woodward, Congressional Budget Office

★ Friday, May 16, 2008 ★

STATE-LOCAL TAX PROGRAM

FISCAL FEDERALISM BEFORE THE ELECTION, DO THEY REALLY CARE OR NOT?

12:00-1:15 PM

LUNCHEON - DISCOVERY BALLROOM

Speakers: *Raymond C. Scheppach, Executive Director, National Governors Association*

1:30-2:30 PM

STATE REVENUE PERFORMANCE OVER THE BUSINESS CYCLE

Moderator: *Andrew Haughwout, Federal Reserve Bank, New York*

Scott Pattison, National Association of State Budget Officers—Update on State Expenditure and Revenue Trends

Glen Follette, Board of Governors of the Federal Reserve System—State and Local Fiscal Impetus and High-end Employment Budget

2:30-2:45 PM BREAK

2:45-3:45 PM

THE TWIN CRISES IN THE STATE AND LOCAL SECTOR: THEIR FINANCES AND HOW THE FEDERAL GOVERNMENT MEASURES THEM

Moderator: *Robert Strauss, Carnegie Mellon University*

James W. Wetzler, Deloitte Tax LLP—The "Crisis" in State and Local Finances

Yolanda Kodrzycki, Federal Reserve Bank of Boston—The Crisis in State and Local Government Statistics

3:45-4:45 PM

IMPACT OF SUBPRIME FORECLOSURES ON STATE AND LOCAL REVENUES

Moderator: *Robert Tannenwald, Federal Reserve Bank of Boston*

Byron Lutz, Board of Governors of the Federal Reserve System—Home Price Appreciation and Property Tax Revenues

Donald Boyd, The Rockefeller Institute

Kim Rueben, The Urban Institute

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Income Response?

Dynamic Distributional Effects of the EGTRRA and JGTRRA
Tax Cuts

Managerial Response to the May 2003 Dividend Tax Cut

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Sole Proprietorships: A Closer Look

Taxing Carried Interest: Understanding the Issues

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Evidence from Tax Data

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Financial Accounting Income: Analysis and a Proposal

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AND THE ENVIRONMENT**

Empirical Analysis of Energy Tax Preferences

A Tax-Based Approach to Slowing Global Change

The Role of Fuel Taxes in Curbing CO₂ Emissions in Private
Transportation

TAXATION AND HOUSING

Comparing the Distributional Effects of Limiting Property Tax
and Mortgage Interest Deductions

Social Policy and the U.S. Tax Code: The Curious Case of the
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A New Exception to the General Rule That Provides That
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***FISCAL FEDERALISM BEFORE THE ELECTION, DO THEY
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State Revenue Performance over the Business Cycle

The Twin Crises In the State and Local Sector: Their
Finances and How The Federal Government
Measures Them

Impact of Subprime Foreclosures on State and Local
Revenues