



National Tax Association

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BYLAWS

NATIONAL TAX ASSOCIATION TAX INSTITUTE OF AMERICA

INTRODUCTION

The National Tax Association-Tax Institute of America, which shall be referred to in brief as "NTA," herein called the Corporation, is a nonprofit corporation organized under the laws of the State of New Jersey to take over the assets and liabilities and carry on the activities of the National Tax Association and the Tax Institute of America, nonprofit corporations organized under the laws of the District of Columbia and the State of New Jersey, respectively.

ARTICLE I Objects

The objects for which the Corporation is formed are to educate and benefit its members, and to interest and inform the general public concerning taxation and public finance by promoting the study thereof, carrying on and encouraging research in public finance, conducting conferences and symposiums on tax problems and bringing together for discussion public officials, taxpayers and their representatives, students, instructors in universities and colleges and others interested in taxation and public finance, serving as a clearinghouse of information on governmental revenues and expenditures, collecting, preserving, and diffusing scientific information and knowledge, including maintenance of a library and bibliographic services, relating to taxation and public finance, publishing and distributing reports of conference and symposium proceedings and other books, periodicals and publications as may be desirable, appointing committees for the investigation of problems in taxation and public finance, formulating and announcing, through the deliberately expressed opinion of its membership, the best informed economic thought and administrative experience available on questions relating to taxation and public finance, acquiring, utilizing, applying, and disposing of property and funds exclusively in establishing, maintaining, improving, and extending the benefits and usefulness of the corporation, through the accomplishment of its purposes, and promoting better understanding of the common interests of the nation, state and local governments in the United States and elsewhere, in matters of taxation and public finance on interstate and international comity in taxation.

The Corporation shall have no connection with local, state, or national political parties, nor shall it engage in lobbying activities or otherwise attempt to influence legislation.

ARTICLE II Membership

Section 1. Any person is eligible to membership in the Corporation. A person shall become a member upon submitting an application and paying the applicable annual dues. The word "person" as used in this section shall include an individual, partnership, society, association foundation, trust, corporation, public officer, board or commission, library or any other organization. A member other than an individual may designate an individual who shall upon submitting an application becomes a member without payment of any additional dues. In such a case, only the designated individual shall have a right to vote as a member.

Section 2. Membership shall continue until resignation, death, termination of the entity, or termination of the designation of an individual as a member by a member who is not an individual, except that any member (other than an Honorary Member) who shall fail to pay dues within three months from the date when payable shall cease to be a member and any individual designated as a member by such member shall cease to be a member by reason of such non-payment of dues.

Section 3. Upon nomination of the Board of Directors, any person who has rendered outstanding service to the Corporation may be elected to honorary membership at any regular meeting of the Corporation, provided there shall be no more than ten living persons holding such memberships at any one time. Such nominations shall be submitted to the membership in the notice of annual meeting at which the election is to occur. Honorary members of the Corporation shall be entitled to all rights and privileges of membership in the Corporation without payment of dues.

ARTICLE III Gifts and Contributions

In order to safeguard the integrity and independence of the Corporation and to insure that it may never be, or appear to be, dominated by pressure or other groups or individuals whose purposes or motives may not be purely disinterested and public spirited, the Corporation shall accept only such gifts and contributions as in the judgment of the Board of Directors do not jeopardize its independence and integrity.

ARTICLE IV Board of Directors

Section 1. Except as otherwise required by law or provided by these Bylaws, the entire control of the Corporation and its affairs and property shall be vested in the Board of Directors.

Section 2. Subject to Section 3 of this Article IV, the Board of Directors shall consist of fifteen (15) elected members who are individuals and members of the Corporation plus, ex officio, the two living ex-presidents of the Corporation and the Executive Director. Two to five advisory members may be elected as specified in Section 5. The Executive Director and the advisory members shall not be counted for purposes of a quorum and shall not be entitled to vote.

Section 3. At each annual meeting of the members of the Corporation, five (5) new members of the Board shall be elected for a term of three (3) years. Their terms shall begin at

the earlier of the first board meeting after their election at the Annual Conference or at the conclusion of the Annual Conference where they were elected. They will serve until the board meeting at the Annual Conference in the third year following their election and until their successors have been elected and qualified.

A vacancy in the membership of the Board of Directors may be filled for the remainder of the member's term by a majority of the directors then in office.

Section 4. A member of the Board of Directors who has been elected for a full term, or a past president who is a member ex officio, shall not be eligible for an elective membership on the Board immediately following the expiration of the term for which elected and qualified.

Section 5. In addition to the Board members specified above, two to five individuals (including two Canadian residents) may be elected annually to serve as advisory members of the Board of Directors.

Section 6. Meetings of the Board of Directors shall be held upon the call of the President or at such times as the Board may determine. At such meetings nine members of the Board of Directors (other than the Executive Director and honorary members) shall constitute a quorum.

Section 7. The Board of Directors may authorize one or more of the elected officers to exercise such powers of the Board as may be delegated to him or them in the management of the business affairs of the Corporation during the intervals between the meetings of the Board.

Section 8. The exclusive authority to create, continue or terminate committees of the Corporation (other than the Nominating Committee) shall be vested in the Board of Directors.

Section 9. With the consent of a voting majority of the Board at a meeting for which there is a quorum present, the President may appoint a Counselor to the Board of Directors. The Counselor shall serve for one year and may be reappointed year to year on recommendation to the Board by the President. The Counselor shall serve as an ex-officio member of the Board (but will not be counted for purposes of a quorum), and has all the rights and duties of a Board member other than voting.

ARTICLE V Officers, Agents, and Employees

Section 1. The Officers of the Corporation shall be a President, one or more Vice Presidents, a Secretary and a Treasurer. The officers shall be members of the Corporation who are individuals and shall be elected by the members at the annual meeting, in accordance with the procedures set forth in Article VII hereof. With the exception of the President, all such officers shall be eligible for reelection. Their terms of office shall begin at the earlier of the first board meeting after their election at the Annual Conference or at the conclusion of the Annual Conference after they were elected, and shall continue until the beginning of the terms of their successors. A vacancy in the offices of Vice President, Secretary or Treasurer may be filled for the unexpired term by the Board of Directors

Section 2. The President shall be the chief executive officer of the Corporation, shall preside at the meetings of the Corporation and of the Board of Directors, and shall perform all duties pertaining to the office and those prescribed by the Board of Directors. In the absence or inability of the President, the duties of the office shall be performed by a Vice President designated by the Board of Directors, and in default of the latter, by such member of the Board of Directors as the Board may designate for the purpose. Upon the death or resignation of the

President, a Vice President shall be designated by the Board of Directors to succeed to the Presidency and shall remain eligible for election to that office at the next annual meeting of the members. The President shall appoint the members of all standing or special committees created by the Board of Directors.

Section 3. The Secretary shall (a) keep a record of the proceedings of all meetings of the Corporation and of the Board of Directors and of all other appropriate matters; (b) issue notices of all meetings of the Corporation; and (c) perform such other duties as may from time to time be assigned by resolution of the membership or the Board.

Section 4. The Treasurer shall (a) be responsible for the care and custody of all moneys and investments of the Corporation; (b) deposit the moneys of the Corporation in such banks as the Board of Directors shall approve; (c) pay all bills of the Corporation duly presented for payment; and (d) have authority to establish a working fund under the control of the Executive Director; but shall have no power to enter into an investment transaction involving an excess of \$50,000 without the prior approval of the Board of Directors. The Treasurer shall perform all the acts incident of the office of treasurer, and may in the discretion of the Board be required to give an appropriate bond at the expense of the Corporation. All expenditures of funds of the Corporation for the purposes other than investment must be authorized or ratified by the Board of Directors.

The accounts of the Treasurer shall be audited by a committee of the Corporation or otherwise as the members of the Corporation by resolution may prescribe and in the absence of such resolution, as the Board of Directors may prescribe. At the annual meeting of members a report shall be made of the financial transactions of the Corporation since the prior annual meeting.

Section 5. The Board of Directors shall appoint an Executive Director and provide for appropriate compensation. The Executive Director shall be considered a member of the Corporation without payment of annual dues, but shall not be entitled to vote upon any question whatsoever. In accordance with policies instituted by the Board, the Executive Director shall (a) have charge of the operations of the Corporation, including the power within budget authorization to employ assistants and to disburse funds for operational purposes from a bank account established for this purpose; (b) be an ex officio member of the Board of Directors (but not included for purposes of a quorum) and of all committees of the Corporation except the Nominating Committee, but neither at Board meetings nor committee meetings shall be entitled to vote; and (c) establish and maintain an office, with the approval of the Board, which for all purposes shall be the office of the Corporation. The Executive Director and any other employee of the Corporation may at the discretion of the Board be required to give an appropriate bond at the expense of the Corporation.

Section 6. The Board of Directors may appoint such other officers, employees, agents, and professional or technical counsel as, from time to time, it may determine to be required, none of whom need be a member of the Corporation, and the Board shall fix the compensation or reimbursement of such parties to the extent it deems proper.

Section 7. No officer or director shall be personally liable to this Association or to any member or members of this Association for breach of any duty owed to the Association or its members, provided, however, that this provision shall not relieve an officer or director from liability for any breach of duty based upon an act or omission (a) in breach of such person's duty of loyalty to the Association or its members, (b) not in good faith or involving a knowing violation of law, or (c) resulting in receipt by the officer or director of improper personal benefit.

This section of the Bylaws shall become operative in the event an enabling law is enacted which substantially provides for limited immunity from liability on the part of officers or directors, or both, of nonprofit associations.

ARTICLE VI

Annual and Special Meetings of the Members of the Corporation

Section 1. The annual meeting of the members of the Corporation shall be held on the day preceding the last day of the Annual Conference provided for in Article IX hereof, unless the Board of Directors by resolution adopted by fifteen or more affirmative votes shall establish a different date for a particular annual meeting. Notice of the time and place at which such meeting is to be held shall be mailed to each member no later than sixty days before the date of such meeting.

Section 2. Special meetings of the Corporation may be held at any time and place when called by the Board of Directors. Notice of the time and place of such special meeting and the purpose for which the meeting is called shall be mailed to each member no later than thirty days before the date of such special meeting. No business shall be transacted at such special meeting other than that specified in the notice.

Section 3. A member, other than a member who is not an individual and who has designated an individual as a member pursuant to Section 1 of Article II hereof, may vote in person.

Section 4. Twenty members present in person who are entitled to vote at an annual or special meeting of the Corporation shall constitute a quorum for the transaction of business and a majority vote of the members present in person or by proxy at a duly constituted meeting shall be required for the adoption or approval of any matter voted upon unless a larger vote is required with respect to a particular matter by statute, the Certificate of Incorporation or these Bylaws.

ARTICLE VII

Nominating Committee

Section 1. The Board of Directors shall hold a meeting at the Annual Conference, provided for in Article IX hereof, for the purpose of selecting a Nominating Committee for the following year.

Section 2. The Nominating Committee shall consist of the two most recent ex-presidents of the Corporation who will not be members of the Board of Directors in the following year and who are willing to serve (the President shall designate one of the foregoing as chairman of the Nominating Committee), and three members elected by the Board of Directors. The three elected members of the Nominating Committee must be from different states.

Section 3. The Nominating Committee shall nominate candidates for the Board Directors, the offices of President, Vice President, Secretary and Treasurer. The Nominating Committee shall notify the Secretary in writing of the names of such candidates at least ninety days in advance of the annual meeting at which such candidates shall stand for election. The report of the Nominating Committee shall be mailed to the members of the Corporation at least sixty days prior to the date of the annual meeting. If any candidate should become unable or unwilling to serve, the Board of Directors shall nominate another candidate. In addition to the

nominations so made by the Nominating Committee, further nominations may be made for the Board of Directors and any office by at least ten members of the Corporation and notice thereof must be received by the Secretary at least thirty days prior to the date of the annual meeting.

ARTICLE VIII Dues

The Board of Directors shall fix the dues, which shall be payable annually by the members of the Corporation. The dues of members may vary under classifications established by the Board.

ARTICLE IX Conferences and Symposiums

Section 1. An Annual Conference on taxation shall be held under the auspices of the Corporation, at such times and places as the Board of Director may determine. In addition to the Annual Conference, the Board may from time to time provide for the holding of special conferences, symposiums, forums, or seminars for the consideration of matters of taxation and public finance.

Section 2. Each conference shall be composed of members of the Corporation, delegates appointed by the governor or other chief executive of states or by their authorized representatives, public officials having duties with respect to the investigation, enactment and administration of tax laws, faculty members and students in universities and colleges, taxpayers and others interested in the subjects of taxation and public finance.

Section 3. One session of each Annual Conference, or so much of it as may be necessary, may be devoted to the consideration of the report of the conference committee on resolutions and conclusions. The report of this committee, as adopted by the conference on matters other than tax policy, shall be its official expression of opinion. Reports of other committees of the Corporation concerning tax policy may be referred by the Annual Conference to the Board of Directors for its consideration of whether such reports should be submitted to the membership for their approval or disapproval. If the Annual Conference adopts a resolution providing for referral of any such reports to the Board of Directors and if the Board determines to submit any such reports to the membership for their approval, the Executive Director shall forthwith mail such reports to the members of the Corporation and solicit their views of whether such reports should be approved or disapproved. If a majority or more of those members responding to such solicitation of views believe that such reports should be approved, the reports so approved shall be considered to be an official expression of opinion by the membership of the Corporation, provided, however, that any notice or publication of such official expression of opinion shall contain a statement indicating the results of the vote of the membership on any report so approved. In no other way shall a position on a matter relating to tax policy be taken as an expression of opinion of the Corporation or of any conference of members of such Corporation.

Section 4. The President of the Corporation shall serve as chairman of each Annual Conference and the Secretary shall serve as Secretary thereof. In case either officer is unable to be present, the Board of Directors shall designate a member of the Board to fill the vacancy. The board of Directors shall be responsible for all features of each Annual Conference, and any

special conference, symposium, forum or seminar sponsored by the Corporation, but it may delegate any or all of such duties to individuals or committees.

ARTICLE X Proceedings and Publications

Section 1. The Corporation shall provide for the publication and distribution of the proceedings of the Annual Conference and any special conferences, symposiums, forums and seminars.

Section 2. The Board of Directors may provide for the publication and distribution of such journals, publications, and periodicals, as in their opinion, will further the purposes of the Corporation. The editors and associate editors of any such journals, publications and periodicals shall be appointed by the President, subject to the approval of the Board of Directors. The President, subject to the approval of the Board of Directors, may direct that editors or associate editors be eligible to attend meetings of the Board of Directors. The President shall also appoint editorial advisory boards with respect to any journals, publications or periodicals, as appropriate. The officers of the Corporation shall be ex officio members of any editorial advisory boards.

Section 3. The Board of Directors shall authorize the terms of sale or distribution of all publications issued by the Corporation.

ARTICLE XI Amendments

Section 1. These Bylaws may be amended at any annual or special meeting of the members of the Corporation by a majority vote of all members entitled to vote thereon present in person, provided that the full text of the proposed amendment, either signed by the proposer and by at least nineteen other members or approved by the Board of Directors, shall have been mailed to each member on or before commencement of the required period of notice for the meeting prescribed in Article VI hereof.

ARTICLE XII Dissolution

No member of the Corporation shall be entitled to any distributive share of its assets and in the event of dissolution, its assets remaining after payment of its just debts shall be given and distributed only to one or more of the following, selected by majority vote of the Board of Directors of the Corporation:

(a) A state, a territory, a possession of the United States, or any of the foregoing, or the United States or the District of Columbia, but only if the distribution is made for exclusively public purposes; or

(b) A corporation, community chest, fund or foundation meeting the conditions prescribed at the time of such distribution by Section 501(c)(3) of the United States Internal Revenue Code of 1954, or any statutory enactment amending or replacing that section.