

NTA NETWORK

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PRESIDENT'S MESSAGE

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Dear NTA Members -

The six months since our last newsletter have been a remarkable period for both taxation and government expenditure programs in the United States. The largest peace-time federal stimulus program in our nation's history and its associated budget deficits have drawn new attention to questions of long-term tax and expenditure design. Active debate about national health insurance reform has raised important questions about the future of Medicare and Medicaid, the income tax treatment of health care and health insurance, as well as broader questions of tax reform.

The past six months have also been a very active time for the National Tax Association. The highlight was the Spring Symposium on May 21-22, 2009, but there have been a number of other important developments as well. In addition to summarizing these news items, I would also like to alert you to some of the upcoming plans for our 102nd Annual Meeting in Denver, which will take place on November 12-14, 2009.

Looking Back: The 2009 Spring Symposium

The 2009 Spring Symposium was one of the most successful in recent memory. I am very grateful to William Gale of the Brookings Institution and to the outstanding program committee that he recruited for arranging an excellent meeting. The theme was "Tax Policy and the Economic Recovery," and many of the sessions focused on topics related to current policy debates. The symposium began with a session on "Short-Term Fiscal Challenges and Long-Term Implications," and included sessions on the corporate income tax, health care reform, taxation and climate change, retirement income security, and a wide-ranging session on new directions for public finance in light of the global financial and economic crisis.

Austan Goolsbee, a faculty member at the University of Chicago's Booth School of Business who is currently a member of the Council of Economic Advisers, delivered a timely and interesting

luncheon talk on the first day of the symposium. He described the Obama administration's approach to tax policy issues. He outlined the charge to, and the constraints on, the subcommittee of the President's Economic Recovery Advisory Board, which is scheduled to deliver recommendations regarding tax policy in December, 2009. Goolsbee also described the contrast between tax policy analysis in an academic setting and in the Washington political process.

On the second day of the symposium, Mark Zandi, the chief economist of Moody's Economy.com, delivered a luncheon address on the current state of the U.S. economy with a particular emphasis on the health of state and local governments. He highlighted the substantial heterogeneity across regions in current economic conditions, especially in real estate markets, and noted that these markets have a critical impact on local government revenues. He also provided a cogent description of the various components of the current monetary and fiscal stimulus, and looked ahead to their potential impact in the second half of 2009 and in 2010.

Mark Zandi's remarks provided an ideal transition to the State and Local Program, a two-session meeting on the second day of the Spring Symposium. This meeting was co-organized by Tracy Gordon of the University of Maryland and Kim Rueben of the Urban Institute. The first session explored the current state of state and local government finances, while the second discussed how state and local governments are responding to the federal government's stimulus package.

One of the highlights of the Spring Symposium was the presentation of the Davie-Davis Award for Public Service to James Nunns. This award honors the memories of Bruce Davie and Al Davis, who devoted their careers to improving the design and analysis of tax policy. Jim has divided his career between Washington, D.C., and his home state of New Mexico. He has made innovative contributions in the design and implementation of individual tax models, has served as a mentor for many tax policy analysts in both Washington and

Santa Fe, and has played a vital role in the design of both federal and state tax policy. He is a most deserving recipient of this prestigious award.

One significant innovation at this year's Spring Symposium was sponsorship from several institutions that are interested in the work of the NTA and its members. The Associated General Contractors of America, H&R Block, the Investment Company Institute, the Lincoln Institute of Land Policy, and the Vanguard Group all made contributions to help defray meeting costs. Our association is very grateful to them for their support. I would also like to thank Harvey Galper, who along with Peter Brady, Janet McCubbin, and Ken Simonson served as a fund-raising committee for this meeting, for their important work in helping to bring new resources to our association.

Association News

After seven years as the Treasurer of the NTA, Richard Dye of Lake Forest College and the Institute of Government and Public Affairs has decided to step down from this role. On behalf of all of our members who have benefited from his careful stewardship and his dedicated service, I would like to thank him for his contributions to the National Tax Association.

In April 2009, the editorial office for the *National Tax Journal* moved from Northwestern University to Rice University. I hope that you will join me in thanking Maja Butovich for her six years of very dedicated and distinguished service in supporting the *Journal's* editors and in managing the *Journal's* office at Northwestern. A comprehensive search led by *Journal* co-editor William Gentry and NTA Executive Director Fred Giertz selected Dorey Zodrow as Maja's successor and the *Journal's* new Managing Editor. Because Dorey is married to *NTJ* co-editor George Zodrow, once she indicated an interest in this position, George recused himself from the selection process. Our association is very lucky to have recruited such a talented Managing Editor.

I hope that you have visited the redesigned National Tax Association website at www.ntanet.org. We owe a great debt of gratitude to Nicholas Bull of the Joint Committee on Taxation, who directed the redesign process, and to Jennifer Gravelle of the U.S. Government Accountability Office, who serves as the volunteer webmaster and maintains the site. Along with our website redesign, the *National Tax Journal* has taken an important new step into the electronic age. Effective January 1, 2009, the process of submitting manuscripts is fully electronic. This not only speeds the submission and review process, but also enhances the efficiency of the editorial office.

The NTA has been the fortunate beneficiary of a substantial charitable gift arranged by Robert Weinberger, who recently retired from H&R Block. Bob suggested the NTA as a potential recipient of unclaimed settlement funds in a class action lawsuit. We are very grateful to Bob for thinking of the NTA in this setting.

In accordance with the terms of the gift, the funds will play a critical role in supporting our association's ongoing work on tax policy analysis.

Looking Ahead: The 102nd Annual Meeting

I hope that you have already booked travel reservations to participate in our association's 102nd Annual Meeting, which will be held in Denver on November 12-14, 2009. Rosanne Altshuler of the Brookings Institution – Urban Institute Tax Policy Center, Hilary Hoynes of the University of California at Davis, and the members of their program committee have worked tirelessly over the last few months to arrange an extraordinary schedule of plenary sessions, luncheon speakers, and invited and contributed sessions.

Our luncheon speakers for the Denver meeting will be Christina Romer, the Class of 1957 Professor of Economics at the University of California – Berkeley who currently chairs the Council of Economic Advisers, and Mark Wolfson, a Consulting Professor at the Stanford Graduate School of Business and the Managing Partner of Oak Hill Capital Partners. In addition to forty-five contributed or invited sessions that span an incredible array of topics in tax policy and government spending programs, the program includes a general session on "Dealing with the Fiscal Outlook," and one celebrating the work of Peter Mieszkowski of Rice University. Peter is the 2009 recipient of the Daniel Holland Award, which recognizes outstanding contributions to the study and practice of public finance. Peter's colleague at Rice and our *National Tax Journal* co-editor, George Zodrow, will receive the 2009 Steven Gold award. The Gold award recognizes significant contributions to state and local fiscal policy, and a capacity to cross the boundaries between research and policy-making.

The Denver meeting will include many opportunities to learn about current research and policy developments and to engage in professional interaction. The program for the meeting has been posted on the NTA website. I hope that you will be able to attend, and look forward to seeing you there. All best wishes!

Sincerely,

Jim Poterba

Congratulations to Davie-Davis Winner

James R. Nunns

James R. Nunns is this year's winner of the Davie-Davis award. The award was established in 2005, in memory of Bruce F. Davie and Albert J. Davis. The award honors NTA members who have served the public through the provision of expert analyses and objective advice on issues of taxation and government finance to elected officials, other policymakers, and the general public.

For over twenty years, Jim served as Director of the Individual Taxation Division in the Treasury Department's Office of Tax Analysis. In that role, Jim was instrumental in the design of the federal individual income tax as well as a powerful force for simplification and reform. Jim's influence, however, extends beyond the federal individual income tax to both state and local and international tax. Jim began his career at the Treasury Department in 1974 as a financial economist in the International Tax Division.

Jim has returned to his native state of New Mexico twice: first as head of its Tax Research and Statistics office between 1982 and 1986 and then – after retiring from the federal government in 2007 – as the state's Director for Tax Policy. In all of those positions, Jim has been a leader not only in the provision of expert and objective tax analysis, but also in the development of the tools that support that analysis.

One of Jim's most important contributions is his recognition of the need for consistent and theoretically sound analysis of the distributional effects of pending tax legislation. Jim worked throughout weekends and pulled all-nighters in order to refine tax plans that would meet the policy goals of both Democratic and Republican Administrations. That experience spurred Jim to develop new and improved tools for measuring tax burdens. Jim laid the foundation for analysis of tax policy issues in an intertemporal framework with his leadership in creating the Treasury Panel Model, which provides a longitudinal perspective on changes in tax burden. To understand how this work was done, students of distributional analysis can turn to an impressive collection of papers written by Jim and his colleagues.

In the years following the enactment of the 1986 tax reform act, Jim became increasingly concerned with the growing complexity of the tax code. In 1997, he was instrumental in developing simplification proposals that reduced compliance burdens for millions of homeowners. Over the next decade, Jim worked with his staff not only to develop new simplification proposals – but also to construct new metrics for quantifying their impact on taxpayers. In 2005, he worked tirelessly to develop reform options for consideration by the President's Advisory Panel on Tax Reform – and although the Panel's report has not been acted on, many of the options that Jim help develop will likely serve as starting points for future reform efforts.

Jim has served as a mentor for a generation of tax analysts, many of whom who have gone on to take on leadership roles both at Treasury and elsewhere in the tax community.

Jim also recognized and recruited talented, more senior members – including Bruce Davie – to join the Treasury staff. Since the NTA awarded Jim an honorable mention for his dissertation in 1982, he has been an active member of the organization, serving on its board and as a chair for the spring symposium.

Throughout his career, Jim has demonstrated vision, leadership, and commitment. Like Bruce and Al and the earlier winners of this award, Jim has worked hard and unselfishly to provide policymakers with objective, careful, and timely analysis of tax policy.

-Janet Holtzblat



Jim Poterba presents award to Jim Nunns



Ranjana Madhudsudhan and Jim Nunns

Preview of Annual Conference on Taxation

November 12-14, 2009—register now!

The preliminary program for the upcoming 102nd Annual Conference on Taxation has just been sent to NTA members and posted on the NTA website. This year's conference is being held at the Grand Hyatt in Denver, Colorado on November 12 through 14 and will feature two keynote speakers: **Christina Romer**, the current Chair of the Council of Economic Advisers, and **Mark Wolfson**, the Stanford Business School professor who pioneered the fusion of accounting, finance, and economics research in taxation. The conference will focus, as always, on policy-relevant research bearing on taxation and government spending. With the help of an exceptional program committee, conference chairs Rosanne Altshuler (Urban-Brookings Tax Policy Center) and Hilary Hoynes (UC Davis) have organized an event that is sure to appeal to all NTA members.

The two-and-a-half-day conference schedule is chock full of concurrent sessions, panel discussions, and plenary sessions. The conference kicks off on the morning of November 12 with a plenary session organized by William Gale of the Brookings Institution on the challenging fiscal outlook. A second plenary session organized by Jim Hines of the University of Michigan honors Peter Mieszkowski of Rice University, the 2009 recipient of the Holland Award for outstanding contributions to the study and practice of public finance.

The conference features 45 concurrent sessions on topics ranging from health care reform, school finance and fiscal federalism to tax incentives for retirement savings, child tax provisions and the relatively new field of behavioral public finance. While there is no general theme, many of the sessions focus on the recent fiscal crisis. Members who prefer panel discussions will be able to attend lively interchanges on the prognosis for real estate markets and implications for the government, carbon taxes and trade, fiscal federalism reform, public attitudes toward taxation, and new ideas for teaching public economics.

There will be plenty of time for participants to discuss ideas, make new contacts and catch-up with colleagues at receptions and luncheons (and, of course, during breaks in the sessions). Participants will also get a chance to meet rising stars in the field of public finance at sessions featuring the work of graduate students and the winners and runners-up of the NTA dissertation award. Student research posters will also be on display.

The conference has something for everyone interested in public finance. We expect an excellent turnout and encourage members to register now!

<http://www.ntanet.org/component/rsform/?formId=4>

Announcements

New NTA Treasurer Needed

A search is currently underway for a successor to Richard Dye, long-time NTA Treasurer. A description of the NTA Treasurer's position will soon be posted on the NTA website. If you would like to be considered for this position, or if you would like to nominate a colleague, please contact Joel Slemrod (jslemrod@bus.umich.edu). Joel is the chair of our Nominations Committee, which is charged with recommending a nominee for the NTA Treasurer post to the NTA Board of Directors.

JOB OPENINGS

Visit the NTA website for up-to-date job listings. Look for the link in the right-hand column, at the bottom:

<http://www.ntanet.org/>

You should be receiving your copy of *Tax Policy and the Economy* in the mail soon — one of the perks of NTA membership!

Member News

NTA member **W. Bartley Hildreth** was appointed dean of the Andrew Young School of Public Policy, Georgia State University, effective July 1, 2009.

Fred Giertz, NTA Executive Director and Professor of Economics at the University of Illinois, was elected to the Board of the State Universities Retirement System of Illinois (SURS). SURS is an \$11 billion pension system serving public university and community college employees in the state of Illinois.

Thomas Barthold was appointed Chief of Staff of the Joint Committee on Taxation



From the 2009 Spring Symposium

SCENES FROM THE

2009 SPRING SYMPOSIUM...



NTA—past, present and future. From left: NTA past president, Robert Tannenwald, first vice president Harvey Galper, past president Ranjana Madhudsudhan, Timothy Roeper (Daniel Holland's grandson), past president Joel Slemrod, and current president James Poterba







Welcome New Members

Darlene Brace, Iowa State University, Ames IA
 Patricia Byrnes, University of Illinois-Springfield, Springfield, IL
 Linda Campbell, University of Texas, San Antonio,
 Fredericksburg, TX
 Miles A. Caunin, DuCharme, McMillen & Associates, Inc, North
 Olmsted, OH
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 Steve Fill, San Diego State University, San Diego, CA
 Hilary Hoynes, University of California, Davis, Davis, CA
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 Naoki Kamiyama, Ibraraki, Japan
 Kurt Meier, Internal Revenue Service, Washington, DC
 Jared A. Moore, Oregon State University, Corvallis, OR
 Serge Nadeau, University of Ottawa, Ottawa, ON, Canada
 Andrew Opoku-Agyemang, Daly City, CA
 Mary O'Reilly-Seim, Minnesota State University, Moorehead, MN
 Emmanuel Saez, University of California, Berkeley, CA
 Dale W. Spradling, Stephen F. Austin University, Nacogdoches, TX
 Robert F. van Brederode, New York University School of Law &
 International VAT Consultants, Woodbury, CT

Members on the Move

Leah Brooks, from McGill University to University of
 Toronto, Canada
 Edith Brashares, from Horst Firsch to US Department of Treasury,
 Washington, DC
 Jameson Boex, from pfd-Solutions, to the Urban Institute,
 Washington, DC
 Joseph Bright, from Wolf Block to Cozen O'Connor, Philadelphia, PA
 Brian Cromwell, from Baker & McKenzie to Ernst & Young
 Leonard Burman from The Urban-Brookings Tax Policy Center,
 to Syracuse University, Syracuse, NY
 Lucas Davis, from the University of Michigan to University of
 California, Berkeley, CA
 Dhammika Dharmaphala, from the University of Connecticut to
 University of Illinois, Champaign, Urbana
 Brian Galle, from Georgetown University to George Washington
 University, Washington, DC
 Jennifer Gravelle, from the Government Accountability Office to
 the Congressional Budget Office, Washington, DC
 Edward Kleinbard from Joint Committee on Taxation to the
 Gould School of Law, University of Southern California,
 Los Angeles, CA
 Thornton Matheson from the Department of Treasury to the
 International Monetary Fund, Washington, DC
 Thomas Petska, retired from Statistics of Income Division,
 Internal Revenue Service, Washington, D

Recent Writings

Editor's Note: With apologies for the missed June issue, this column reflects my continuing immersion in health reform legislation - with a couple additional articles that caught my eye. As always, NTA members are encouraged to send in notices of their work for inclusion in the column to:

Pamela.Mooma@mail.house.gov or natltax@aol.com.

http://www.taxpolicycenter.org/UploadedPDF/1001311_activist_fiscal.pdf

Alan J. Auerbach and William G. Gale, *Activist Fiscal Policy to Stabilize Economic Activity*, Brookings Institution, August 6, 2009

<http://www.aei.org/docLib/20090623-Antos.pdf>

Joseph Antos, *The Case for Real Health Care Reform*, American Enterprise Institute, June 23, 2009

<http://www.cbo.gov/ftpdocs/104xx/doc10492/08-07-Prevention.pdf>

Congressional Budget Office, "The Budgetary Effects of Expanding Governmental Support for Preventive Care and Wellness Services," letter to the Honorable Nathan Deal, August 7, 2009

http://www.cbo.gov/ftpdocs/100xx/doc10016/03-10-Health_Care.pdf

Congressional Budget Office, *options for Controlling the Cost and Increasing the Efficiency of Health Care*, Testimony before the Subcommittee on Health Committee on Energy and Commerce, U.S. House of Representatives, March 10, 2009

<http://apps.crs.gov/products/r/pdf/R40517.pdf>

Bernadette Fernandez, Hinda Chaikind, Chris L. Peterson, Bob Lyke, *Health Care Reform: an Introduction*, Congressional Research Service, August 31, 2009

<http://finance.senate.gov/JCT.pdf>

Joint Committee on Taxation, *Background Materials for Senate Committee on Finance Roundtable on Health Care Financing*, May 8, 2009, JCX-27-09

<http://www.taxpolicycenter.org/publications/url.cfm?ID=1001298>

Jacob Golden and Eric Toder, *Taxing Adjusted Gross Income Instead of Taxable Income*, Tax Policy Center, August 25, 2009

<http://www.brookings.edu/reports/2007/08neworleansindex.aspx>

Amy Liu and Allison Plyer, *The New Orleans Index Anniversary Edition: Four Years After Katrina*, the Brookings Institution and Greater New Orleans Community Data Center, July 30, 2009

YOUR NTA BOARD AND STAFF WORKING FOR YOU

OFFICERS

PRESIDENT

James Poterba
Massachusetts Institute of Technology
Department of Economics
50 Memorial Drive
Cambridge, MA 02139
poterba@mit.edu

VICE PRESIDENTS

Harvey Galper
Bearing Point Inc.
1676 International Drive
McLean VA 22102
harvey.galper@bearingpoint.com

Leonard E. Burman

The Urban Institute
2100 M Street NW
Washington, DC 20037
lburman@ui.org

SECRETARY

Charmaine J. Wright
National Tax Association
725 15th Street NW #600
Washington, DC 20005-2109
natltax@aol.com

TREASURER

Richard F. Dye
Lake Forest College
Lake Forest, IL 60045
dye@lfc.edu

PAST PRESIDENTS

Ranjana Madhusudhan
New Jersey Treasury Department
P.O. Box 269
Trenton, NJ 08695-0269
Ranjana.madhusudhan@treas.state.nj.us

Robert Tannenwald

Federal Reserve Bank of Boston
600 Atlantic Avenue
Boston, MA 02210
robert.tannenwald@bos.frb.org

ELECTED BOARD MEMBERS

Gerald Auten

Office of Tax Analysis
U.S. Treasury Dept.
1500 Pennsylvania Ave. NW
Washington, DC 20220
gerald.auten@do.treas.gov

Peter Brady

Investment Company Institute
1401 H Street NW
Washington, DC 20005

pbrady@ici.org

John Diamond

Baker Institute for Public Policy
Rice University
MS-40
6100 Main Street
Houston, TX 77005
jdiamond@rice.edu

William Gentry
Department of Economics
Williams College
Morey House
Williamstown MA 01267
william.gentry@williams.edu

Bruce Johnson

Utah State Tax Commission
2100 North 1950 West
Salt Lake City, UT 84134
rbjohnson@utah.gov

Laura Kalambokidis

Dept. of Applied Economics
University of Minnesota
231 Classroom Office Bldg.
St. Paul MN 55108
kalam002@umn.edu

Fitzroy A. Lee

Office of Revenue Analysis
District of Columbia
441 4th Street, NW #400S
Washington DC 20001
Fitzroy.lee@dc.gov

LeAnn Luna

The University of Tennessee
Center for Business and Economic Research
100 Temple Court
804 Volunteer Boulevard
Knoxville, TN 37996
leann@utk.edu

Roberta Mann

University of Oregon School of Law
1515 Agate Street
Eugene, OR 97403
541-346-3854 (541-346-1564)
rfmann@uoregon.edu

Edward Maydew

Kenan-Flagler Business School
University of North Carolina
Chapel Hill, NC 27599-3490
edward_maydew@unc.edu

Mark J. Mazur

Internal Revenue Service
RAS: 500 NC
1111 Constitution Avenue, N.W.
Washington, DC 20024
mark.mazur@irs.gov

Janet McCubbin

Public Policy Institute, AARP
601 E Street NW, B6-530
Washington, DC 20049
jmcubbin@aarp.org

George A. Plesko

University of Connecticut
School of Business Unit 1041A
2100 Hillside Road
Storrs, CT 06269-1041
gplesko@business.uconn.edu

Kenneth Simonson

Associated General Contractors of America
2300 Wilson Boulevard
Arlington VA 22201
simonsonk@agc.org

Alan D. Viard

American Enterprise Institute
1150 Seventeenth Street, NW
Washington, DC 20036
aviard@aei.org

ADVISORY BOARD MEMBERS

Nathan B. Anderson

University of Illinois at Chicago
601 S. Morgan Street, #2103
(M/C 144)
Chicago, IL 60607
nba@uic.edu

David Brunori

Tax Analysts
6830 North Fairfax Drive
Arlington VA 22213
dbrunori@tax.org

Peter Fisher

345 Jessup Hall
University of Iowa
Iowa City IA 52242
Peter-fisher@uiowa.edu

François Vaillancourt

Department of Economics
University of Montreal
PO Box 6128 Station A
Montreal, Quebec H3C 3J7
francois.vaillancourt@umontreal.ca

Joan Youngman

Lincoln Institute of Land Policy
113 Brattle Street
Cambridge, MA 02138-3400
jyoungman@lincolninst.edu

NATIONAL TAX JOURNAL

George Zodrow
Rice Scholar
Baker Institute for Public Policy
Rice University
6100 Main Street, MS-22
Houston, TX 77005-1892
zodrow@rice.edu

William Gentry

Department of Economics
Williams College
Morey House
Williamstown MA 01267
william.gentry@williams.edu

EXECUTIVE DIRECTOR

J. Fred Giertz
Institute of Government & Public Affairs
University of Illinois
1007 W. Nevada
Urbana, IL 61801
jgiertz@ad.uiuc.edu

NTA

NATIONAL TAX ASSOCIATION
725 15TH STREET NW #600
WASHINGTON, DC 20005
202-737-3325 ♦ natltax@aol.com ♦ www.ntanet.org
Staff: Charmaine J. Wright, Betty Smith