

INSTITUTE FOR PROFESSIONALS IN TAXATION

2002 Sales and Use Tax Academy

April 14 -17, 2002

Marriott Renaissance Washington Hotel

Washington, DC



PROGRAM

Institute for Professionals in Taxation

2002 SALES AND USE TAX ACADEMY

April 14-17, 2002

SUNDAY, APRIL 14

- 1:00 p.m. - 7:00 p.m. • Registration
- 6:00 p.m. - 7:00 p.m. • Welcoming Reception

MONDAY, APRIL 15

- 6:15 a.m. - 7:45 a.m. • Continental Breakfast

- 7:45 a.m. - 8:00 a.m. • Opening of Academy
Julia S. Bragg, CMI, CPA
Manager, Sales & Use Tax
International Paper Company
Memphis, Tennessee

Richard V. Carlson, CMI, CPA
Overall Sales Tax Education Chair
Arthur Andersen LLP
Los Angeles, California

- 8:00 a.m. - 9:15 a.m. • General Session

"SSTP and Electronic Commerce"

The speakers in this session will provide Academy participants with a review of the progress of the Streamlined Sales Tax Project (SSTP), including an update on what the near future holds for this project. Our panelists will offer both State and industry viewpoints and analysis.

- 9:15 a.m. - 9:45 a.m. • General Session

During this part of the above session, the speaker will provide Academy participants with an update on administrative, legislative, and judicial developments impacting E-Commerce.

MONDAY, APRIL 15, 2002

10:15 a.m. - 11:45 a.m. • Breakout Number 1

Breakout groups will review topic/issue papers from the SSTP and report back to the general session on discussion. The small group format will allow participants an opportunity to discuss various ideas and concerns they have, and put together a summary analysis or theory point for later presentation to the other Academy attendees.

(Four concurrent, similar sessions of about 25 people each, but broken into smaller groups of 5 to 8 people. This will be a problem solving/discussion workshop.)

12 Noon - 1:15 p.m. • Luncheon

"Sales Tax Simplification - A Federal Viewpoint"

1:15 p.m. - 1:45 p.m. • General Session

Breakout group Facilitators will share with the academy participants their discussion of the SSTP topics.

2:00 p.m. - 3:30 p.m. • Breakout Number 2

"What Is the Best Route to Bring Home a Tax Refund and Make it Stick?"

In concurrent sessions, facilitators will guide the participants through a cutting edge case study involving a variety of issues that will raise both tax policy concerns and corporate strategy decisions. Participants will examine a set of facts that will force them to advise their company how to best achieve a solution to a tax assessment problem. The problem solving/discussion workshop will gather input from the participants on the costs and benefits of settlement, litigation, and legislative solutions to the company's tax assessment. The discussion will also consider balancing long-term policy considerations versus seeking one time relief.

3:45 p.m. - 5:30 p.m. • General Session

"Establishing Company Tax Policy In Court."

A panel lecture on establishing tax policy in the court system. Three panelists - a corporate tax manager, an industry association policy maker, and an attorney - will present the various strategy decisions a company or industry group must consider in using the courts to make tax law. The panel will touch upon issues such as litigation through industry associations, choice of venue, selection and participation of amicus curiae, settlements when there are multiple plaintiffs and managing the judicial process. After questions to the panel members, the session will conclude with a mock hearing on the case study before an appellate judicial tribunal.

6:00 p.m. - 7:00 p.m. • Reception

TUESDAY, APRIL 16, 2002

6:15 a.m. - 7:45 a.m. • **Continental Breakfast**

8:00 a.m. - 10:00 a.m. • **General Session**
(15 Minute Break)

"Entity Structuring for Sales & Use Tax Planning"

This session will discuss concepts, risks, and rewards of using captive entities or other structural planning techniques to achieve tax and business advantages. The speakers will provide an overview of some of the popular planning strategies (e.g., purchase companies, leasing companies, asset contributions, etc., as well as favorite acquisition/disposition strategies, such as drop-kick). They will then address issues of business purpose and entity substance, step-transaction doctrine, and sham transactions.

10:30 a.m. - 11:45 a.m. • **Breakout Number 3**

"Breakout Session: Case Study Entity - Substance/Business Purpose"

This case-study focused session will address entity substance and business purpose issues in light of cost-minimization pressures. Tax manager recommends formation of a captive leasing company to achieve tax deferral benefits while enhancing asset management and tax compliance controls. The company CFO believes the objective can be achieved utilizing a minimal corporate structure for the leasing entity and simple year-end inter-company accounting entries. What issues should the tax manager raise concerning structural substance and business purpose of the proposed entity and what alternatives might be considered to address the sales tax risks while minimizing administrative costs?

11:45 a.m. - 1:00 p.m. • **Luncheon**

"Keeping Your Chin Up In Challenging Times"

Even in the normal course of events, life presents a never-ending set of personal challenges at every level; physical, financial, professional, spiritual, intellectual, and emotional. And recent events have taught us the new millennium is fraught with collective challenges for the entire nation. Maintaining a positive attitude while facing life's challenges is no easy task. In this entertaining and enlightening presentation, Dr. Welsh presents practical, common-sense strategies for "keeping your chin up" when times are tough. Using stories from real life and generous amounts of humor, "Dr. Dave" will renew your sense of optimism and enthusiasm on and off the job!

1:00 p.m. - 1:30 p.m. • **General Session**

"Debrief Breakout Number 3"

Moderator and breakout session facilitators summarize key points discussed in morning breakout sessions.

TUESDAY/WEDNESDAY, April 16-17, 2002

1:30 p.m. - 3:00 p.m.

- **General Session**

"Sales Tax Implications of Bankruptcy and Transactions with Bankrupt Companies"

This session will look at an overview of bankruptcy today and the sales and use tax issues of a company in bankruptcy, under both reorganization and liquidation scenarios. We will discuss such issues as hierarchy of claims, successor liability, officer liability, operational constraints, administrative requirements, and audit assessments. The session will also focus on issues from vendor and customer perspectives.

3:30 p.m. - 4:45 p.m.

- **Breakout Number 4**

"Case Study - Due Diligence on Acquisition from Bankrupt Company"

This session will concentrate on a case study involving a company that is targeting the acquisition of a division of a bankrupt company. Registrants will address the relevant tax concerns for both seller and buyer that are the focus of the due diligence review, and identify any acquisition planning strategies to consider.

5:00 p.m. - 5:30 p.m.

- **General Session**

"Debrief of Breakout Number 4"

Breakout session Facilitators summarize key points discussed in afternoon sessions.

WEDNESDAY, APRIL 17, 2002

6:15 a.m. - 7:45 a.m.

- **Continental Breakfast**

8:30 a.m. - 10:00 a.m.

- **General Session**

"Statistical Sampling: Policy Issues"

The focus of this session is policy issues surrounding the use of statistical sampling in sales and use tax audits. This lively round table discussion will include such issues as state and industry perspectives on their expectations regarding sampling; variances in state policy and procedure; the value of uniform sampling policy; and the proper role of credits and credit projection.

WEDNESDAY, APRIL 17, 2002

10:30 a.m. - 12 Noon

• **General Session**

"Unbundled Mixed Transactions (Part 1 of Session)"

This session will review the sales and use tax concerns involved with mixed transactions. The discussion will address current cases in this area and highlight planning opportunities.

"Hot Topics: Florida Legislation and Synthetic Leases (Part 2 of Session)"

An update on the Florida legislation to tax services and eliminate exemptions will be provided. Additionally, the hot topics portion will address the sales and use tax issues involving synthetic leases.

12 Noon

• **Academy Conclusion**

2002 Academy Speakers, Panelists, Moderators

Richard L. Aguglia, Esq.
Attorney/Counsel
Hunton & Williams
Washington, DC

Richard J. Ayoob, Esq.
Attorney
Ajalat, Polley & Ayoob
Los Angeles, California

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Los Angeles, California

Erik H. Corwin, Esq.
Partner
Wilmer, Cutler & Pickering
Washington, DC

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Manager - Sales, Use & Property Taxes
Gannett Company, Inc.
Arlington, Virginia

Harley T. Duncan
Executive Director
Federation of Tax Administrators
Washington, DC

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Senior Manager,
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Senior Tax Manager
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Tax Senior Manager
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Ernst & Young LLP
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Chevron Phillips
Chemical Company LP
Houston, Texas

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Telecommunication
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Partner, State &
Local Tax Group
Holland & Knight LLP
Tallahassee, Florida

Harold Jennings
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Multistate Tax Commission
Chicago, Illinois

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Federated Department Stores
Cincinnati, Ohio

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Manager - Sales, Use
& Excise Taxes
General Electric Company
Ft. Myers, Florida

Duane D. Morse
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Vice President Taxes
& General Counsel
WorldCom, Inc.
Washington, DC

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Senior Committee Director for
Commerce & Communications
National Conference
of State Legislatures
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Roger C. Pfaffenberger, Ph.D.
Senior Manager/Practice Leader
Audit Sampling Practice

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Solectron Corporation
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Thomas N. Tiscione
Staff Vice President - Tax
Verizon Wireless
Bedminster, New Jersey

Cass D. Vickers, CMI, Esq.
Attorney
Vickers Madsen & Goldman, LLP
Tallahassee, Florida

David J. Welsh, Ph.D.
Principal Partner
Jones, Welsh and Associates
Fort Worth, Texas

Institute for Professionals in Taxation

2002 Sales Tax Academy Committee

Richard J. Ayoob (Vice Chair)
Ajalat, Polley & Ayoob
Los Angeles, CA

Mark S. Camarata, CMI
Eastman Kodak Company
Rochester, NY

Richard V. Carlson, CMI (Co-Chair)
Arthur Andersen LLP
Los Angeles, CA

Carolyn L. Elerson, CMI
FedEx Express Corporation
Memphis, TN

Anne R. Glasco, CMI
Chevron Phillips
Chemical Company LP
Houston, TX

William J. McConnell
General Electric Company
Ft. Myers, FL

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Tallahassee, FL

Joseph P. Wills, Jr.
E.I. Du Pont De Nemours & Company
Wilmington, DE

Hotel Accommodations

The Academy is being held at the Renaissance Washington D.C. Hotel in Washington, DC. Reservations are to be made directly with the hotel by either using the enclosed hotel reply form (which can be faxed directly to hotel Reservation Department at: 202-789-4213) or by calling the hotel at : 202-898-9000 or by calling Marriott Central Reservations at: 800-228-9290 (be sure to mention that you are with IPT to secure the special negotiated hotel rate). The mailing address for the form is: Renaissance Washington D.C. Hotel, Reservations, 999 9th Street, N.W., Washington, DC 20001. **Reservations must be made with the hotel no later than March 18, 2002. The hotel will sell out, so make your reservations as soon as possible.** After this date, there is no assurance that rooms will be available at this rate. The room rate at the Renaissance Washington D.C. Hotel is \$171.00 (plus tax), single or double occupancy. This room rate includes a continental breakfast Monday through Wednesday.

Ground Transportation

The Renaissance Washington, D.C. Hotel is located in downtown Washington. It is about 10 blocks from Washington's Union Station (for those utilizing the train) and approximately 6 miles from Washington Reagan National Airport. Cabs are readily available from both locations as is the Metro (the subway B the Gallery Place/China Town Metro station is one block from the hotel). Dulles and BWI airports are about 40 miles from downtown Washington. Cab service (around \$40.00), bus, limousine, and metro/train service are available to downtown at varying prices. There is parking at the hotel: valet is \$20.00 per day, and self parking is \$15.00. Please contact the hotel directly if you have further questions.

Registration and Fees

Please detach the enclosed IPT Registration Form from this booklet. Carefully complete and return to the IPT Office in the reply envelope that is provided. Confirmation of acceptance will be sent to all applicants.

All registrations must be completed in advance of the Academy. As well as covering the usual Academy expenses, the fee includes Sunday and Monday night receptions, two luncheons, refreshment breaks, and course materials. Course materials and registration packets may be picked up at the IPT Registration Desk in the hotel between 1:00 p.m. and 7:00 p.m. on Sunday, April 14th. Those who arrive after the desk closes may pick up registration materials after 7:00 a.m. on Monday morning.

Non IPT members who would otherwise qualify for IPT membership (employed in the private sector, but not in the public sector) are eligible to register for this program.

The IPT registration fee structure is as follows:

Individual Personally Belongs To IPT:	\$525.00
Individual Does Not Belong, Someone In Company Does:	\$725.00
No One From Company Belongs To IPT:	\$875.00

Cancellation Fee

\$100 for any filed registration. After April 10th, no refunds will be made.

Credit Cards

The Institute accepts the following credit cards: American Express, MasterCard, Visa. Please carefully follow the instructions on the IPT Registration Form if paying by credit card. Also be sure to note, where indicated, the correct, **complete**, billing address for the credit card if it differs from your registration address.

Continuing Education Credit

IPT is registered with the National Association of State Boards of Accountancy as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State Boards of Accountancy have final authority on the acceptance of individual courses. Complaints regarding registered sponsors may be addressed to:

NASBA

150 Fourth Avenue North
Suite 700
Nashville, Tennessee 37219-2417
(615) 880-4200
Sponsor I.D. Number: 103109

Twenty-One (21) continuing education credits are available for full-attendance. In accordance with the standards of the National registry of CPE Sponsors, CPE credits have been granted based on a 50-minute hour. CMIs will obtain hour-for-hour continuing education credits for attendance upon submittal of the appropriate continuing education form.

Registrants who wish to obtain credit from other organizations for the Academy must submit their own forms to the IPT Office or use the form provided by IPT for this program.

<i>Prerequisites:</i>	CMI or successful completion of Course II or 7 years- sales tax experience
<i>Program Level:</i>	Multiple
<i>Field of Study:</i>	Taxation

CMI Designation

The Institute for Professionals in Taxation's designation "Certified Member of the Institute" (CMI) is available to anyone who has been a sales tax member of the Institute in good standing for at least one year and who meets all other requirements. The purpose of the certification program is to further the professional development of its members. For further information, please contact the IPT Office or visit the Institute's website (www.ipt.org).

For Further Information

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Note:

Two forms follow:

- (1) The Hotel Registration Form which should be mailed or faxed to the Renaissance Washington DC Hotel. **Do not send this to the IPT Office, as it will delay your reservation request.**
- (2) The IPT Registration Form which should be completed and returned to IPT with payment.