



2005 Sales Tax School II
Theory and Practice for the Experienced
Sales and Use Tax Professional

University of Cincinnati
Marriott Kingsgate Conference Center
Cincinnati, Ohio
August 21 - 26, 2005

Institute for Professionals in Taxation

600 Northpark Town Center
1200 Abernathy Road, Northeast
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2005 Sales Tax School II

Theory and Practice for the Experienced Sales and Use Tax Professional

◆ SUNDAY, AUGUST 21

11:00 a.m. - 5:00 p.m. Registration **Lobby**

3:45 p.m. - 4:15 p.m. **BREAKOUT GROUPS¹**

Group #1 - Mt. Lookout: Room 136 - Bone
Group #2 - Mt. Echo: Room 130 - Holston
Group #3 - Mt. Auburn: Room 120 -Falcone
Group #4 - Mt. Storm: Room 140 - Matulich
Group #5 - Mt. Adams: Room 111 - McConnell
Group #6 - Amphitheater 2: Room 144 - Sinton

4:30 p.m. - 5:30 p.m. **GENERAL SESSION** **Ballroom**

▣ Ethics

Ethical standards and commitment to the interests of the taxpayer one represents are key elements of professionalism. Are these elements in conflict with each other? The question impacts taxpayers on a daily basis. In some contexts the answers are clear-cut. In others they are grayer in nature. Most will vary in the eye of the beholder. This session will address the critical importance of ethics to professionalism, and its relationship to one's responsibility to the taxpayer.

Instructors:

Jack T. Bone, CMI

Senior Manager
Ryan & Company
Houston, Texas

Joseph A. Vinatieri, Esq.

Partner
Bewley, Lassleben & Miller
Whittier, California

¹These are the room assignments for each group throughout the week. Students go to this same room for each Breakout Group Session and the faculty rotates as shown.

◆ SUNDAY, MONDAY, AUGUST 21, 22

5:45 p.m. - 7:15 p.m. GENERAL SESSION Ballroom

▣ Constitutional Issues - Part I

The purpose of this two-part session is to enable tax professionals to identify federal constitutional issues that may be raised by state and local taxes that are asserted against their businesses. The focus is on constitutional limitations on state and local taxing power. Coverage includes the Commerce Clause, Import/Export Clause, Equal Protection Clause, Supremacy Clause, First Amendment, and Due Process Clause. Students will learn the basic tools of constitutional analysis.

Instructors:

Robert S. Goldman, CMI, Esq.

Partner

Vickers Madsen & Goldman, LLP
Tallahassee, Florida

Joseph A. Vinatieri, Esq.

Partner

Bewley, Lassleben & Miller
Whittier, California

7:15 p.m. - 9:00 p.m. Dinner 5/3Plaza (Outdoors, weather permitting)

◆ MONDAY, AUGUST 22

6:30 a.m. - 7:45 a.m. Breakfast Bistro 151

8:00 a.m. - 8:15 a.m. Opening of School Ballroom
Welcome and Overview By:

Carolyn L. Elerson, CMI

IPT President

Linda A. Falcone, CMI

Chair, Course II
2005 Course II School Committee
Grant Thornton LLP
Weston, Florida

8:15 a.m. - 10:15 a.m. GENERAL SESSION Ballroom

▣ Constitutional Issues - Part II

Continuation from Part I Session.

Instructors:

Robert S. Goldman, CMI, Esq.

Partner

Vickers Madsen & Goldman, LLP
Tallahassee, Florida

Joseph A. Vinatieri, Esq.

Partner

Bewley, Lassleben & Miller
Whittier, California

◆ **MONDAY, TUESDAY, AUGUST 22, 23**

10:30 a.m. - 12 Noon	BREAKOUT GROUPS (Constitutional Issues) Group #1 - Mt. Lookout: Room 136 - Holston Group #2 - Mt. Echo: Room 130 - Goldman Group #3 - Mt. Auburn: Room 120 - Matulich Group #4 - Mt. Storm: Room 140 - McConnell Group #5 - Mt. Adams: Room 111 - Sinton Group #6 - Amphitheater 2: Room 144 - Bone	
12 Noon - 1:00 p.m.	Lunch	Bistro 151
1:00 p.m. - 2:30 p.m.	GENERAL SESSION ▣ Advanced Topics in Retailing and Advertising This session will illustrate the application of sales tax principles to selected issues that have been especially challenging for tax professionals in the retailing and advertising industries. <i>Instructors:</i> Frank G. Julian, Esq. Operating Vice President - Tax Counsel Federated Department Stores, Inc. Cincinnati, Ohio Lynn L. Monsalvatge, CMI Senior Manager The Home Depot Atlanta, Georgia	Ballroom
2:45 p.m. - 3:45 p.m.	GENERAL SESSION ▣ Advanced Topics in Leasing This session will illustrate the application of sales tax principles to selected issues that have been especially challenging for tax professionals in the leasing industry. <i>Instructor:</i> William J. McConnell, CMI, CPA, Esq. Manager - Sales, Use & Excise Taxes General Electric Company Ft. Myers, Florida	Ballroom
4:00 p.m. - 5:15 p.m.	BREAKOUT GROUPS (Advertising, Leasing, Retail) Group #1 - Mt. Lookout: Room 136 - Goldman Group #2 - Mt. Echo: Room 130 - Montsalvatge Group #3 - Mt. Auburn: Room 120 - McConnell Group #4 - Mt. Storm: Room 140 - Sinton Group #5 - Mt. Adams: Room 111 - Bone Group #6 - Amphitheater 2: Room 144 - Holston	

◆ **TUESDAY, AUGUST 23**

6:30 a.m. - 7:45 a.m.	Breakfast	Bistro 151
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◆ TUESDAY (Continued)

8:00 a.m. - 10:15 a.m.	GENERAL SESSION	Ballroom
	▣ Statistical and Block Sampling This session is intended to provide a practical approach to a variety of sampling-related issues, including: how to determine when block or statistical sampling is preferable to a detailed audit; what guidelines are useful in setting up samples; and how one evaluates sample results. Although students will not be required to perform complex statistical analysis, they will be expected to understand the concepts underlying sampling methods and to identify issues that affect the reliability of sampling in a given context. <i>Instructors:</i> Diane J. Matulich, CMI, CPA Senior Tax Manager, Local Taxes Advanced Micro Devices, Inc. Sunnyvale, California Keith Simeral Manager, Sales and Property Tax Planning IBM Southbury, Connecticut	
10:30 a.m. - 12 Noon	BREAKOUT GROUPS (Statistical Sampling) Group #1 - Mt. Lookout: Room 136 - Matulich Group #2 - Mt. Echo: Room 130 - Simeral Group #3 - Mt. Auburn: Room 120 - Sinton Group #4 - Mt. Storm: Room 140 - Bone Group #5 - Mt. Adams: Room 111 - Holston Group #6 - Amphitheater 2: Room 144 - Goldman	
12 Noon - 1:00 p.m.	Lunch	Bistro 151
1:00 p.m. - 2:15 p.m.	GENERAL SESSION ▣ Advanced Audit Management This session will provide an understanding of advanced topics in the sales and use tax audit function including: ✓Limits on state authority ✓Statute of limitations and consent to extend the statute ✓Sampling agreements ✓Offsets ✓Managed compliance agreements ✓Managed audits, contract audits ✓Missing records issues ✓Estimated and jeopardy assessments ✓Problem resolution <i>Instructors:</i> Richard V. Carlson, CMI Principal Ryan & Company Los Angeles, California Kenneth W. Helms, CMI Director – Sales & Property Tax Group InterContinental Hotels Group Atlanta, Georgia	Ballroom

◆ **TUESDAY, WEDNESDAY, AUGUST 23, 24**

2:30 p.m. - 3:45 p.m.

GENERAL SESSION

Ballroom

▣ **Taxpayer Remedies**

This session will address common taxpayer remedies, with emphasis on the process that occurs subsequent to an audit exit conference. Topics covered will include:

- ✓Protests and appeals
- ✓Claims for refund
- ✓Settlement options
- ✓Exhaustion of administrative remedies
- ✓Effective presentation

Instructor:

William J. McConnell, CMI, CPA, Esq.

Manager - Sales, Use & Excise Taxes

General Electric Company

Ft. Myers, Florida

4:00 p.m. - 5:00 p.m.

BREAKOUT GROUPS

(Advanced Audit Management and Taxpayer Remedies)

Group #1 - Mt. Lookout: Room 136 - McConnell

Group #2 - Mt. Echo: Room 130 - Sinton

Group #3 - Mt. Auburn: Room 120 - Bone

Group #4 - Mt. Storm: Room 140 - Holston

Group #5 - Mt. Adams: Room 111 - Goldman

Group #6 - Amphitheater 2: Room 144 - Matulich

◆ **WEDNESDAY, AUGUST 24**

6:30 a.m. - 7:45 a.m.

Breakfast

Bistro 151

8:00 a.m. - 9:00 a.m.

GENERAL SESSION

Ballroom

▣ **Mergers & Acquisitions**

This session addresses sales and use tax issues and treatments related to selected corporate transactions including mergers, acquisitions and reorganizations. The information will include a discussion on available exemptions, potential limitations, due diligence reviews and bulk sales transactions.

Instructor:

Faranak Naghavi, CPA

Principal

Ernst & Young LLP

Washington, DC

◆ **WEDNESDAY (Continued)**

9:15 a.m. - 10:15 a.m. **GENERAL SESSION** **Ballroom**

▣ **Advanced Topics in Telecommunications**

This session will illustrate the application of sales tax principles to selected issues that have been especially challenging for tax professionals in the telecommunications industry.

Instructors:

John R. Cmelak, Esq.

Director – Tax Policy

Verizon Wireless

Walnut Creek, California

Richard J. Sinton, Esq.

Senior Attorney

AT&T

Basking Ridge, New Jersey

10:30 a.m. - 12 Noon **BREAKOUT GROUPS**
(Mergers & Acquisitions, Telecommunications)

Group #1 - Mt. Lookout: Room 136 - Naghavi

Group #2 - Mt. Echo: Room 130 - Bone

Group #3 - Mt. Auburn: Room 120 - Holston

Group #4 - Mt. Storm: Room 140 - Goldman

Group #5 - Mt. Adams: Room 111 - Sinton

Group #6 - Amphitheater 2: Room 144 - McConnell

12 Noon - 1:00 p.m. Lunch **Bistro 151**

1:00 p.m. - 2:30 p.m. **GENERAL SESSION** **Ballroom**

▣ **Advanced Topics in the Taxation of Services**

This session will address more complex service topics including computer related services, software, and maintenance agreements. Other topics will include:

✓The “true object” test

✓Sale of intellectual property rights and services in conjunction with computer hardware

✓Multi-state contracts involving tangible personal property, services, and intellectual property

Instructor:

Diane J. Matulich, CMI, CPA

Senior Tax Manager, Local Taxes

Advanced Micro Devices, Inc.

Sunnyvale, California

◆ **WEDNESDAY, THURSDAY, AUGUST 24, 25**

2:45 p.m. - 3:45 p.m. **GENERAL SESSION** **Ballroom**

▣ **Tax Planning**

This session will provide an overview of the sales and use tax planning function that is a key part of the sales and use tax professional's role. Specific topics will include:

- ✓The use of terminology
- ✓How to structure contracts
- ✓Tax indemnification clauses
- ✓Invoicing and billing issues

Instructor:

Jeffrey M. Rhines, CPA

Senior Manager

Grant Thornton LLP

Philadelphia, Pennsylvania

4:00 p.m. - 5:00 p.m. **BREAKOUT GROUPS**
(Services, Tax Planning)

- Group #1 - Mt. Lookout: Room 136 - Bone
- Group #2 - Mt. Echo: Room 130 - Holston
- Group #3 - Mt. Auburn: Room 120 - Goldman
- Group #4 - Mt. Storm: Room 140 - Matulich
- Group #5 - Mt. Adams: Room 111 - McConnell
- Group #6 - Amphitheater 2: Room 144 - Sinton

◆ **THURSDAY, AUGUST 25**

6:30 a.m. - 7:45 a.m. Breakfast **Bistro 151**

8:00 a.m. - 8:45 a.m. **GENERAL SESSION** **Ballroom**

▣ **Advanced Topics in Manufacturing**

This session will illustrate the application of sales tax principles to selected issues that have been especially challenging for tax professionals in the manufacturing industry.

Instructors:

Jack T. Bone, CMI

Senior Manager

Ryan & Company

Houston, Texas

Kathleen M. Holston, CMI, CPA

Manager, State and Local Taxation

Armstrong World Industries, Inc.

Lancaster, Pennsylvania

◆ **THURSDAY (Continued)**

9:00 a.m. - 9:45 a.m. **GENERAL SESSION** **Ballroom**

▣ **Advanced Topics in Construction Contracting**

This session will illustrate the application of sales tax principles to selected issues that have been especially challenging for tax professionals in the construction contracting industry.

Instructors:

Jack T. Bone, CMI

Senior Manager
Ryan & Company
Houston, Texas

Kathleen M. Holston, CMI, CPA

Manager, State and Local Taxation
Armstrong World Industries, Inc.
Lancaster, Pennsylvania

10:00 a.m. - 10:45 a.m. **GENERAL SESSION** **Ballroom**

▣ **Advanced Topics in Oil and Gas**

This session will illustrate the application of sales tax principles to selected issues that have been especially challenging for tax professionals in the oil and gas industry.

Instructors:

Jack T. Bone, CMI

Senior Manager
Ryan & Company
Houston, Texas

Kathleen M. Holston, CMI, CPA

Manager, State and Local Taxation
Armstrong World Industries, Inc.
Lancaster, Pennsylvania

11:00 a.m. - 12 Noon **BREAKOUT GROUPS**
(Construction Contractors, Manufacturing, Oil and Gas)

- Group #1 - Mt. Lookout: Room 136 - Goldman
- Group #2 - Mt. Echo: Room 130 - Matulich
- Group #3 - Mt. Auburn: Room 120 - McConnell
- Group #4 - Mt. Storm: Room 140 - Sinton
- Group #5 - Mt. Adams: Room 111 - Bone
- Group #6 - Amphitheater 2: Room 144 - Holston

12:00 p.m. - 1:00 p.m. Lunch **Bistro 151**

◆ **THURSDAY, FRIDAY, AUGUST 25, 26**

1:00 p.m. - 2:15 p.m. **GENERAL SESSION** **Ballroom**

▣ **Taxation of Electronic Commerce**

An overview of the sales and use tax issues raised by electronic commerce, with emphasis on the Internet and transactions occurring over that medium. Summary of recent developments leading to sales tax simplification efforts, and discussion of various tax planning scenarios.

Instructor:

Robert S. Goldman, CMI, Esq.

Partner

Vickers Madsen & Goldman, LLP

Tallahassee, Florida

2:30 p.m. - 3:30 p.m. **GENERAL SESSION** **Ballroom**

▣ **Streamlined Sales Tax Project**

As SSTP comes closer to becoming reality, it is key that sales and use tax professionals gain an understanding of its key elements. This session will provide an understanding of the Streamlined Sales Tax Project including its history, key features, current status, and unresolved issues.

Instructor:

Josie Ann Henneke, CMI, CPA

Managing Member

STAT! Consulting, LLC

Indianapolis, Indiana

3:45 p.m. - 5:00 p.m. **BREAKOUT GROUPS**
(Electronic Commerce, SSTP, School Review)

- Group #1 - Mt. Lookout: Room 136 - Bone
- Group #2 - Mt. Echo: Room 130 - McConnell
- Group #3 - Mt. Auburn: Room 120 - Sinton
- Group #4 - Mt. Storm: Room 140 - Matulich
- Group #5 - Mt. Adams: Room 111 - Holston
- Group #6 - Amphitheater 2: Room 144 - Goldman

◆ **FRIDAY, AUGUST 26**

6:30 a.m. - 8:00 a.m. Breakfast **Bistro 151**

9:00 a.m. - 10:30 a.m. **Final Examination** **Ballroom**

10:30 a.m. **School Concludes**

**2005 COURSE II SALES AND USE TAX SCHOOL COMMITTEE
PROGRAM CHAIR, VICE CHAIR**

Chair:

Linda A. Falcone, CMI

Director Sales & Use Tax Services

Grant Thornton, LLP

Weston, Florida

Vice Chair:

Jack T. Bone, CMI

Senior Manager

Ryan & Company

Houston, Texas

BREAKOUT GROUPS

Registrants will be divided into six groups where they will remain throughout the week. Each group will rotate through the breakout sessions on a schedule that will be posted at registration. Each breakout session will focus on specific matters discussed in the general session.

TESTING/HOMEWORK

A quiz will be given during the week, with a final examination on Friday. A passing score must be realized on the examination for successful completion of the school. The final examination must be taken on Friday morning, so travel arrangements should be made accordingly. **No exceptions can be made to taking the examination at the stated time on Friday.**

COURSE II FOCUS

The course is intended for those individuals with four or more years of sales tax experience or for those who have already attended Course I. Individuals with fewer than four years of sales tax experience should not apply to this school; Course I - Foundation of Sales and Use Taxes, that will be offered in February 2006, is intended for this latter group. Both Course I and II are directed at the professional development of the IPT membership, as well as supporting the Professional Designation Program of the Institute.

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.

CONTINUING EDUCATION CREDIT

The Institute for Professionals in Taxation is registered with the National Association of State Boards of Accountancy (NASBA) 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 for CPE credit. Complaints regarding registered sponsors may be addressed to the:

National Registry of CPE Sponsors

150 Fourth Avenue North
Suite 700
Nashville, TN 37219-2417
Web site: www.nasba.org

Thirty-seven (37) continuing education credit are available for 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 school may have their particular forms signed by the IPT staff. The Institute provides a standardized continuing education credit form for other organizations.

Prerequisites: Sales and Use Tax School - Course 1, or 4 or more years of sales tax experience.

Program Level: Intermediate

Field of Study: Taxation

FACULTY

Seventeen Instructors constitute the faculty; the private, government and corporate sectors are represented. Biographical summaries of the Instructors will be furnished at registration.

Jack T. Bone, CMI (Vice Chair)

Senior Manager
Ryan & Company
Houston, Texas

Lynn L. Monsalvatge, CMI

Senior Manager
The Home Depot
Atlanta, Georgia

Richard V. Carlson, CMI, CPA

Principal
Ryan & Company
Los Angeles, California

Faranak Naghavi, CPA

Principal
Ernst & Young LLP
Washington, DC

John R. Cmelak, Esq.

Director – Tax Policy
Verizon Wireless
Walnut Creek, California

Jeffrey M. Rhines, CPA

Senior Manager
Grant Thornton LLP
Philadelphia, Pennsylvania

Linda A. Falcone, CMI (CHAIR)

Director Sales & Use Tax Services
Grant Thornton LLP
Weston, Florida

Keith Simeral

Manager, Sales and Property Tax Planning
IBM
Southbury, Connecticut

Robert S. Goldman, CMI, Esq.

Partner
Vickers Madsen & Goldman, LLP
Tallahassee, Florida

Richard J. Sinton, Esq.

Senior Attorney
AT&T
Bedminster, New Jersey

Kenneth W. Helms, CMI

Director – Sales & Property Tax Group
InterContinental Hotels Group
Atlanta, Georgia

Joseph A. Vinatieri, Esq.

Attorney-At-Law
Bewley, Lasseben & Miller
Whittier, California

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Lancaster, Pennsylvania

Frank G. Julian, Esq.

Operating Vice President - Tax Counsel
Federated Department Stores, Inc.
Cincinnati, Ohio

Diane J. Matulich, CMI, CPA

Senior Tax Manager, Local Taxes
Advanced Micro Devices, Inc.
Sunnyvale, California

William McConnell, CMI, CPA, Esq.

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

REGISTRATION

Registrations must be completed in advance through the IPT Office. **No on-site registration is allowed. Enrollment is limited to member companies, only, and applicant must have at least 4 years' sales tax experience or have successfully completed Course I.**

Each company will be allowed up to a maximum of two (2) registrants should the school be over-subscribed. However, as many registrations as wished can be submitted. Full refunds will be issued for any applications not accepted. Notification of acceptance will be sent out after **July 1, 2005**. **All applications need to be received by the IPT Office no later than July 1, 2005, for timely consideration.**

Registration fees are as follows (applicant or company must belong to IPT):

By July 1, 2005

\$775 (Applicant Personally Belongs To IPT)
\$975 (Company Belongs, Applicant Does Not)

After July 1, 2005

\$800 (Applicant Personally Belongs To IPT)
\$1,000 (Company Belongs, Applicant Does Not)

NOTE: In cases where local registrants from the Cincinnati area are not residing at the Marriott Kingsgate Conference Center, there is an added registration fee supplement of **\$330**.

All registrations must be completed in advance of the school. The Institute accepts credit cards as indicated. The following applies for registration fees received by the IPT Office:

CANCELLATION FEE

\$100 for any filed registration. After August 12, no refunds will be made. **No cancellations will be valid unless acknowledged in writing by IPT once written cancellation has been received from the registrant.**

SUBSTITUTION FEE

Prior to (including) July 1	\$40.00
After July 1	\$50.00

ACCOMMODATIONS

All Registrants and Instructors are expected to reside at the Kingsgate Marriott Conference Center and Hotel on the campus of the University of Cincinnati in Cincinnati, Ohio. The only permissible exceptions are those individuals who reside in the Cincinnati area (see concluding paragraph). The hotel is located above the Conference Center. **The rate is \$999.10 for the five night stay Sunday through Friday Noon (includes 17.5% tax).** This rate includes dinner on Sunday and breakfast, lunch and dinner each day thereafter except Friday, where there is no lunch or dinner (the rate also includes restaurant gratuities). The hotel accepts all major credit cards. For those who wish to stay Saturday Night prior to the school, the rate is \$116.33 inclusive. This Saturday rate does not include any meals. Reservation instructions for the hotel will be sent out with the acceptance letters no later than July 1, 2005. **At that time you should make your reservations; the hotel will not accept them prior to this time.**

Cincinnati area registrants are encouraged to stay at the hotel given the peer interaction that takes place which is an essential part of the program. Should election be made, however, to stay at home, there is a supplemental registration fee of **\$330.00** to cover some of the overhead costs that are a part of the hotel registration fee.

FACTS ABOUT KINGSGATE MARRIOTT CONFERENCE CENTER AND HOTEL

Located adjacent to the University of Cincinnati, and within minutes of many corporate headquarters, the Kingsgate Conference Center provides a dynamic location, plus the latest enhancements of 21st century technology, to accommodate corporate meeting and business travel needs.

Guest rooms are specifically designed for the business traveler and conference guest. Eight floors, 206 Rooms, 96 of which are specifically designed for the business traveler:

- work desk with lamp
- line phone
- speaker phone
- voice mail
- data ports on phone
- TV with remote control
- cable/satellite TV
- news channel
- room movies
- newspaper delivered (Monday - Friday)
- complimentary in-room coffee
- iron and ironing board
- hair dryer
- individual climate control; smoke detectors and sprinklers
- nonsmoking and ADA-accessible rooms available
- high-speed Internet connectivity

A full service restaurant is located within the hotel as is a lounge.

A parking garage is available at the hotel. There is no charge for those registrants attending the school Sunday through Friday but there is a charge of \$12.00 for any guests staying Saturday night.

The university complex is served by the Greater Cincinnati/Northern Kentucky Airport. There is airport shuttle service available for \$14.00 one way, \$24.00 round-trip. Full particulars will be provided in the acceptance letter.

For detailed information on the hotel and conference center, copy and paste on your browser the very informative link that follows for the Marriott Kingsgate Conference Center.

<http://www.marriott.com/epp/default.asp?MarshaCode=CVGKG>

