



Federation of Tax Administrators

Seventy-Second Annual Meeting

June 6-9, 2004

Providence, Rhode Island

Welcome
to the
Seventy-Second Annual Meeting
of the
Federation of Tax Administrators

Conference Host
Rhode Island Division of Taxation

R. Gary Clark, Tax Administrator

Host Committee:

John Nugent
Bob Geruso
Cheryl Pullano
Barbara Bisson
Paula Tubman
Dan Clemence
Bob Godin

Special Thanks to:

The staff of the Rhode Island Division of Taxation,
who helped out in many ways.

WELCOME

On behalf of the FTA Board of Trustees and the Rhode Island Division of Taxation, welcome to the Seventy-Second Annual Meeting of the Federation of Tax Administrators. This year's program is a substantive one, featuring significant general session topics, a variety of afternoon sessions, and enjoyable social activities.

The meeting opens with registration and features a welcoming reception on Sunday evening and the amazing vision of a river that dances with fire. On Tuesday evening, we will enjoy our annual banquet and be entertained by the unique Rhode Island humor of the "Ocean State Follies."

Please wear your name badge for participation in all FTA events.

Enjoy your stay in Providence!

Sincerely,

Stephen M. Cordi
President

SPECIAL EVENTS INFORMATION

Waterfire Reception: Sunday, June 6

- 7:30 p.m.** BELLA VISTA RISTORANTE – WATERPLACE PARK
Bella Vista Ristorante is just a short stroll from the Westin and Biltmore Hotels. Staff members will be at the hotel entrances to provide walking directions to the Bella Vista. A mini-bus will provide shuttle transportation for those who prefer a ride. The mini-bus will provide continuous transportation to and from the Bella Vista and the Westin and Biltmore Hotels.

Guest Tours: Monday, June 7

- 9:00 a.m.** “NEWPORT...’AMERICA’S FIRST RESORT’ TOUR”
Guests should meet in the main lobby of the Westin Hotel at 8:45 a.m. We will be leaving the Westin Hotel at 9:00 a.m. for a narrated driving tour of this exciting city-by-the-sea. There will be free time available for lunch and shopping. We will return to the Westin Hotel at 5:00 p.m.

Guest Tours: Tuesday, June 8

- 9:30 a.m.** “BENEFIT STREET WALKING TOUR”
Guests should meet in the main lobby of the Westin Hotel at 9:15 a.m. (Please remember: the deadline for signing up for this tour is 11:00 a.m. Monday). This is a walking tour that will last approximately two hours.

Reception, Banquet and Entertainment: Tuesday, June 8

- 6:00 p.m.** The cocktail hour begins at 6:00 p.m. in the foyer outside the Narragansett Ballroom. Dinner begins at 7:00 p.m. inside the Ballroom. Entertainment by the “Ocean State Follies” will follow immediately after dinner.

DAYS AT A GLANCE

Sunday, June 6

- 1:00 p.m.–7:00 p.m. Registration
- 7:30 p.m.–9:30 p.m. Opening Reception (Ristorante Bella Vista)
(Bella Vista is a short walk from the Westin.
Shuttle buses will also be available.)

Monday, June 7

- 7:30 a.m.–5:00 p.m. Registration
- 7:30 a.m.–8:30 a.m. Continental Breakfast
(Narragansett C)
- 7:30 a.m.–8:30 a.m. Commissioners Only Breakfast
(Blackstone)
- 8:30 a.m.–11:30 a.m. General Session
(Narragansett Ballroom A and B)
- Noon–1:50 p.m. FTA President's Awards Luncheon
(Narragansett B and C)
- 2:00 p.m.–5:15 p.m. Concurrent Sessions

Technology (Providence II and III)
Legal and Tax Policy (Providence I and IV)
Compliance (Bristol / Kent)
Management (Newport / Washington)

DAYS AT A GLANCE

Tuesday, June 8

7:30 a.m.–5:00 p.m.	Registration
7:30 a.m.–8:30 a.m.	Continental Breakfast (Narragansett C)
7:30 a.m.–8:30 a.m.	Commissioners Only Breakfast (Blackstone)
8:30 a.m.–Noon	General Session (Narragansett Ballroom A and B)
Noon–1:30 p.m.	Lunch (on your own)
1:30 p.m.–5:00 p.m.	Concurrent Sessions Technology (Providence II and III) Legal and Tax Policy (Providence I and IV) Compliance and Management (Bristol / Kent)
6:00 p.m.	Reception (outside Narragansett Ballroom)
7:00 p.m.	Banquet and Entertainment (inside Narragansett Ballroom)

Wednesday, June 9

7:30 a.m.–8:30 a.m.	Continental Breakfast (Narragansett C)
8:30 a.m.–9:00 a.m.	FTA Business Meeting (Narragansett Ballroom A and B)
9:00 a.m.–Noon	General Session (Narragansett Ballroom A and B)
Noon	Conference concludes

Monday, June 7
8:30 a.m. – 11:30 a.m.

GENERAL SESSION
(Narragansett Ballroom A and B)

Presiding: Stephen M. Cordi, Deputy Comptroller, Maryland Comptroller of the Treasury, and President, Federation of Tax Administrators

Welcome to Providence

The Honorable Lieutenant Governor Charles J. Fogarty

California's Efforts to Combat Abusive Tax Avoidance Transactions

Debbie Langsea, California Franchise Tax Board

New York's Efforts to Combat Abusive Tax Avoidance Transactions

Andrew Eristoff, New York State Department of Taxation and Finance

Tax Compliance: Practitioner's Viewpoint

Bruce Daigh, PricewaterhouseCoopers

What's Ahead for the U.S. Economy

Mark Zandi, Economy.com, West Chester, Pennsylvania

Noon–1:50 p.m.

FTA President's Awards Luncheon
(Narragansett B and C)

Presentation: Compliance Award
Management Award
Leadership and Service Award

Keynote Speaker: The Honorable Mark W. Everson
Commissioner, Internal Revenue Service

Monday, June 7
2:00 p.m. – 5:15 p.m.

CONCURRENT SESSIONS

Technology (Providence II and III)

Panels:

Experience with State Digital Filing Mandates

Loren Chumley, Tennessee Department of Revenue
Cheryl Sullivan, Wisconsin Department of Revenue
King Woolf, Trustfile

Alan LeBovidge, Massachusetts Department of Revenue
Floyd Schmitzer, Michigan Department of Treasury

Predictive Modeling and Earned Income Tax Credit Fraud Detection

Tom Heinz, New York State Department of Taxation and Finance

Legal and Tax Policy (Providence I and IV)

Recent Developments in State Tax Case Law

Marilyn Wethekam, Horwood, Marcus & Berk, Chicago, Illinois

California's Treatment of Tax Shelters

Debbie Langsea, California Franchise Tax Board

Panel: SSTP Intrastate Sourcing Issues

Moderator: Loren Chumley, Tennessee Department of Revenue
Will Rice, State of Washington Department of Revenue
Joan Wagnon, Kansas Department of Revenue

Panel: Emerging Online Sales and Use Tax Issues

Moderator: Marshall Stranburg, Florida Department of Revenue
John Allan, Jones Day, Atlanta, Georgia

Monday, June 7
2:00 p.m. – 5:15 p.m.

Compliance
(Bristol/Kent)

Panel: Compliance Roundup

North Carolina's Project Compliance

John Sadoff, North Carolina Department of Revenue

Plain and Doable

Patrick Carter, Delaware Division of Revenue

Tax Compliance Checks

Bob Geruso, Rhode Island Division of Taxation

FTA Compliance Award Co-Winner

Pennsylvania's Pass-through Unit

Bob Coyne and Kevin Milligan, Pennsylvania Department of Revenue

FTA Compliance Award Co-Winner

Data-Driven Decisions

Ralph Osgood, Washington State Department of Revenue

National Overview of State Use Tax Activities

Delena Bratton, ACS

Management
(Newport/Washington)

Where to Look for Savings

Billy Hamilton, Texas Office of the Comptroller

Simplified Withholding Initiative

Dan John, Idaho Tax Commission

Don Hoffman, Montana Department of Revenue

Providing Online and Self-Service to Employees

Deborah Dammer and Kiaran Johnson, New York State Department of Taxation and Finance

Management Award Winner

Organization Development Initiative: Integration, Innovation and Involvement

Wendy Fraser, Washington State Department of Revenue

Tuesday, June 8
8:30 a.m. – Noon

GENERAL SESSION
(Narragansett Ballroom A and B)

Presiding: Mary Jane Egr, Commissioner, Nebraska Department of Revenue and First
Vice President, Federation of Tax Administrators

Technology and the Future of Tax Administration
Karla Pierce, Microsoft Corporation, Washington, D.C.

Improving Adoption of E-Government Initiatives
William Eggers, Deloitte Research–Public Sector

VoIP: What Is It and What Do You Need to Know?
James B. Ramsay, National Association of Regulatory Utility Commissioners,
Washington, D.C.

Streamlined Sales Tax Update
Diane Hardt, Wisconsin Department of Revenue
Loren Chumley, Tennessee Department of Revenue

Multistate Tax Commission Compliance Project
Bruce Johnson, Utah Tax Commission

Invitation to FTA 2005, San Antonio, Texas (June 12-15, 2005)
Billy Hamilton, Texas Office of the Comptroller

Noon–1:30 p.m.

Lunch (on your own)

Tuesday, June 8
1:30 p.m. – 5:00 p.m.

CONCURRENT SESSIONS

Technology
(Providence II and III)

New Integrated Tax System
Lynette Nowlan, Arizona Department of Revenue

New Era in Benefits Funding
Karla Pierce, Microsoft
Paul Racioppo, IBM

Alternative Method for Implementing 2-D Bar Code Filing
Stan Farmer, Missouri Department of Revenue

GPS/Route Management Enhancements for Wireless-Based Compliance
Albert Perez, Texas Office of the Comptroller

Tips on Implementing Tax Jurisdiction Sourcing Databases
Tim Blevins, Kansas Department of Revenue
Stan Farmer, Missouri Department of Revenue

Legal and Tax Policy
(Providence I and IV)

States' Problems with the Internet Tax Freedom Act
Matt Tomalis, Federation of Tax Administrators, Washington, D.C.

Panel: Issues Presented by the Federal BAT Nexus Bill
Frank Katz, Multistate Tax Commission, Santa Fe, New Mexico
Michael Lippman, KPMG, McLean, Virginia

Panel: Reducing Tensions Between Taxpayers and Tax Agencies
Moderator: Douglas Lindholm, Council on State Taxation, Washington, D.C.
Stanley Arnold, Rath, Young & Pignatelli, Concord, New Hampshire
Pam Law, Connecticut Department of Revenue Services
Robert Thompson, New Jersey Division of Taxation

Tuesday, June 8
1:30 p.m. – 5:00 p.m.

Compliance and Management
(Bristol/Kent)

A Change In Direction: Repairing Local Relationships
Lewis Easterly, Alabama Department of Revenue

Multiple Uses for a UPC Matrix Database
Richard Schrader, New Jersey Division of Taxation

Improving Tax Administration Through Stakeholder Survey Data Analysis
David Mader and Jeff Saltzman, Sirota Consulting, Washington, D.C.

Tax Compliance Automation
Diana DiBello and Dick Eppleman, Vertex

Wednesday, June 9
8:30 a.m. – Noon

8:30 a.m.–9:00 a.m. **FTA Business Meeting**
(Narragansett Ballroom A and B)

9:00 a.m.–Noon **GENERAL SESSION**
(Narragansett Ballroom A and B)

Presiding: Stephen M. Cordi, Deputy Comptroller, Maryland Comptroller of the Treasury, and President, Federation of Tax Administrators

Federal Tax Policy and the States

Leonard E. Burman, Urban Institute, Washington, D.C.

The (Sad) State of State Budgets

Scott Pattison, National Association of State Budget Officers, Washington, D.C.

Tax Reform in the Commonwealth

Kenneth W. Thorson, Virginia Department of Taxation

Federal Legislation Affecting the States

Harley Duncan, Federation of Tax Administrators, Washington, D.C.

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for Their Generous Support of the Annual Meeting**

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