

FROM THE EDITOR

by Alice G. Abreu, Philadelphia, PA

Like the bountiful harvests that mark fall, this issue gives us a surfeit of substantive features, pithy debate, and food for further thought. The Section's larder is full, and a brief glance at our masthead, which now boasts twice the number of Associate Editors, will provide a glimpse of how we've grown. Even our readers have participated in this issue, which contains a Letter to the Editor expanding upon a previous Point to Remember. The *NewsQuarterly* is off to a great start.

In his first column as Chair, Herb Beller confirms that the Section has had a productive summer and is poised to have an influential year. He not only describes the government submissions prepared by Section Committees but details the Section's substantial efforts on the tax shelter and simplification fronts. In addition, Herb announces the creation of four task forces that will be producing reports over the coming year, and an important initiative to assist the Service in its Volunteer Income Tax Assistance program.

In this, the inaugural issue of the *NewsQuarterly*, three new members of our Editorial Board are making their debut as Point to Remember authors. We lead with timely commentary from one such new recruit, Leandra Lederman, a proceduralist who provides insightful commentary on the Fifth Circuit's recent decision in *Dunn*. In that case the court was so outraged by the Service's conduct that it went so far as to suggest that an award of attorney's fees might be appropriate. Nevertheless, as Leandra explains, the court's outrage was not only unwarranted but probably resulted from the court's misunderstanding of the law. Next, Don Bly, who also joined the ranks of Associate Editors this summer, lucidly explains the implications of the Service's first pronouncement on a question that has

long vexed issuers of stock options. His Point discusses the application of section 83 to the imposition of forfeiture conditions on outstanding stock options and is required reading for anyone who works with start-up companies. Wayne Hamilton, yet another newcomer to our ranks, then helps us understand a Revenue Procedure that resolves an issue that has bedeviled taxpayers engaged in the automobile leasing business. His Point is important not only for those who advise such businesses and need to know how to treat capital cost reduction payments, but also for anyone interested in the resolution of sensitive questions of timing and characterization. Finally, we hear from an able and dedicated veteran, Diane Bennett, who brings us up to date on the many happenings in the taxation of employer-provided life insurance. Her Point explores the developments in this area, from recently issued guidance to the likely effect of the Sarbanes-Oxley legislation. All in all, a very impressive showing by talented and dedicated Section members.

The Point/Counterpoint feature in this issue tackles the question of private enforcement of the tax laws following disclosure of corporate tax returns. The debate is lucid, pointed and pithy and I am indebted to the authors, Allen Madison and Ted Sims, who have done an exemplary job of laying out the issues and debating them thoughtfully and passionately. As usual, Special Features Editor Chris Rizek has done a wonderful job of serving as organizer and referee, and I owe him a striped shirt. Associate Editor Diane Bennett went above and beyond the call of duty in suggesting the topic and we are grateful to her, and to Associate Editor Leandra Lederman for suggesting debaters.

This issue also contains a Special Report that will serve as the foundation for a teleconference to be held on December 11, 2002. The subject of the teleconference is engagement letters—when to have them, how to draft them, and when to modify them. The Report alerts us to some of the issues that tax lawyers must face when drafting such letters and discusses ways of resolving them. The teleconference will expand on this discussion and will also review sample engagement letters that will be available for examination on the web in advance. Kudos to the Tax Practice Management Committee for putting together what promises to be a useful and interesting teleconference, and to Aen Webster and Paul Van Horn for giving us an informative preview.

It is fitting that the inaugural issue of the *NewsQuarterly* carry an interview with one of the most dedicated and celebrated members of the Section. Jim Holden received the Section's Distinguished Service Award last May, and the interview so smoothly conducted by Jack Cummings and Alan Swirski lets us learn, firsthand, why the honor was so richly deserved. Thanks, as always, to Jack and Alan for asking the perfect questions, and to Jim for providing illuminating answers.

Finally, the Spotlight for this issue is on the Individual Income Tax Committee. Although the name of the Committee is so general as to be nearly devoid of descriptive content, the programs and activities of the Committee suffer from no such infirmity. Reading about the multi-faceted programs the Committee has organized, should make you want to check them out at the next Section meeting. Much that is of high quality goes on there, and you'll learn about some of it in this Spotlight. ■