FROM THE CHAIR

It Was a Very Good Year

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As the song says, it was a very good year! It has been my honor to serve as Chair of the Tax Section for 2016–2017. The year seems to have passed too quickly. There were many good times and some disappointments, but I am proud to have had the opportunity to lead and carry out the best job in the Section.

Initial Objectives

My objectives for this past year were as follows:

• Focusing on high quality output of our Committees in cutting-edge tax programming and government submissions;

• Continuing the Section’s pro bono and public service efforts; and

• Attracting new members.

Committee Output

We had three successful Section Meetings this past year with timely and thought-provoking plenary presentations by Barbara Angus, Chief Tax Counsel, House Ways and Means Committee; Bill Hoagland, Senior Vice President, Bipartisan Policy Center; and Mark Prater, Deputy Director and Chief Tax Counsel of the Senate Finance Committee. All three meetings were well-attended, and our 54 committees (35 of which addressed substantive tax topics) put on over 150 high quality presentations at each meeting. The networking at these events has always been one of the main attractions, and the committee programming this year featured over 100 government speakers at each meeting. The May Meeting alone attracted over 500 attendees from government, including 120 speakers. There is always as much going on in the hallways as there is in the meeting rooms at our meetings, and this year was no different. We have all had much to ponder and discuss as we try to predict what will happen with tax reform while we maintain our everyday practices, and I would like to congratulate our committees for organizing such great programs even in a time of such uncertainty. One thing is certain: the job of a tax lawyer will continue!

Our committees produced 21 government submissions on topics ranging from the effects of audits on small businesses to recent changes at Appeals this year reflecting a depth of technical experience for which our Section is well-known and can be proud. As I reported in my last column, our government courtesy calls
resulted in the estate tax lien release program being modified last April, and we have participated in the development of eight LB&I Campaign webinars. All of these are accessible by Tax Section members on the Section’s website.

**Pro Bono and Public Service**

In the area of pro bono and public service, we were able to select one new Brunswick Fellow for the coming two-year term: Catherine Martin will be working with Community Legal Services, Inc., in Philadelphia, PA, to provide legal representation to low-income Philadelphians, some of whom might be facing tax foreclosure of their properties. Our other pro bono efforts progressed well under the leadership of Bahar Schippel, Vice-Chair (Pro Bono and Outreach), and Christine Speidel, Chair of the Pro Bono and Tax Clinics Committee. Our Tax Court Calendar Calls, Adopt-a-Base, and Volunteer Income Tax Assistance efforts have also proceeded like a well-oiled machine, again under the leadership of Bahar Schippel and the previous work of Wells Hall, this year’s recipient of the Janet Spragens Pro Bono Award. The efforts of the TAPS Endowment Task Force succeeded in securing sufficient funds to make operational the next year’s support of the Brunswick Fellows. Nonetheless, there is still much that should be done on the TAPS Endowment, and I encourage each of you to contribute generously to this important cause.

**Code Responsibility List**

As the year progressed, we noticed that our Code Section Responsibility List—the list which informs our committees as to the sections for which they have primary and secondary jurisdiction—was in need of updating. For example, the relatively new economic substance doctrine of section 7701(o) had not been assigned to any committee. It was a daunting task involving thousands of Code sections (§§ 1 – 9834) and many non-Code provisions (e.g., the ABA Model Rules, ERISA, Tax Court Rules, and Circular 230), but it needed to be done. I asked Scott Michel, Vice-Chair (Committee Operations) to undertake the task. With the expert assistance of his firm’s librarian, Mary Abigail Dos Santos, and our Young Lawyers Forum, followed by a number of late nights on the part of Scott and me and subsequent “conflict resolution” discussions with certain committees who had differing opinions over assignments, we presented a revised list in conjunction with our May Meeting. This full revision was approved as a draft by Council, subject to one last review by the committees before the final revised list is presented for approval by Council at the Joint Fall Meeting in September 2017.

**The Value of Membership**

We have worked to attract new and younger members. Our Young Lawyers Forum has held three highly successful Tax Bridge to Practice programs at our Joint Fall, Midyear and May Meetings. In addition, the Law Student Tax Challenge was a great success at our Midyear Meeting. Going into its 17th year and thriving, this program continues to show participating law students the significant benefits of membership in the Tax Section. Another development this past year was the addition of Vlad Frants, the Tax Section’s liaison from the larger ABA’s Young Lawyers Division. Vlad organized a Young Lawyers’ Networking Reception at the May Meeting, which was an overflow success.

Membership in the Tax Section is a valuable commodity, and we should all strive to communicate why it is valuable and recruit young tax lawyers and other new members to the Section. Our membership reflects the full range of areas of tax practice. We have members who have served at the highest levels of government – for example, as Commissioner of the IRS, Director of the Office of Professional Responsibility, Assistant Secretary of the Treasury for Tax Policy, Assistant United States Attorney General for the Tax Division, and
United States Tax Court Judge. We have members who devote their entire practice to serving low-income taxpayers, but the majority of our members fall somewhere in between. It is our job to show prospective members from many backgrounds that the Section has much to offer all tax lawyers.

**CLE and Diversity**

As I have reported previously, this year the ABA Board of Governors voted in favor of a new policy requiring speaker diversity on all our panels at a regular Tax Section meeting. The first meeting where this policy will be in force will be our Joint Fall Meeting in September 2017. Historically we have shown compliance with the new diversity requirement, as diversity in many facets has always been the goal of the Tax Section. There still remain operational and technical questions regarding the implementation of this policy. The Joint Fall Meeting in September 2017 will provide a good test for the Tax Section.

The Section’s efforts to comply with this CLE diversity policy represent a very small aspect of how the Section addresses diversity in all of its educational programs and resources, which are designed not only to provide value to our members but also to reach a wider audience and bring in new members. For example, our international conferences (Europe and Latin America) have reached beyond our borders to attract foreign tax lawyers, and the Section has developed strong organizational partnerships as a result of these longstanding efforts.

In addition, the Section presented 22 webinars this year designed to reach our broader membership—and specifically members who are unable to attend Section Meetings in person. A couple of highlights included: (1) a member benefit webinar on “LLCs, Taxes and the IRS—What Could Possibly Go Wrong?,” which attracted 544 participants; and (2) for Pro Bono Week, “Twenty Years After ‘The End of Welfare’: Workfare Delivered Through Federal and State EITC Systems,” which had 293 participants. It’s clear that members appreciate these benefits.

**Internal Developments**

While we made significant progress in carrying out my main objectives for the year, I am most pleased to have been able to lead the Section in addressing two critically important internal matters that required attention during my term: the Section’s budget deficit and an executive search for a new director.

**Budget Deficit**

As I have reported previously, early in my tenure it became imperative to address the Section’s growing budget deficit, brought on by declines in membership and revenues that are being felt across the entire ABA. With the support of the Immediate Past Chair George Howell, I formed a Budget Task Force to review carefully every expenditure and recommend reduction strategies aimed at cutting our deficit by half (several hundred thousand dollars) during my term. I would like to thank the members of the Budget Task Force, including George Howell, Vice Chairs Chuck Rettig (Administration) and Scott Michel (Committee Operations), Section Delegate Dick Lipton, and Chair-Elect Karen Hawkins, and from the staff, Ty Hansen (then Acting Director) and Haydee Moore (Meetings Director). We commenced the process in my Houston offices in June 2016 and presented our strategies to be carried out over three years to Council in September 2016. Council approved our plans, and I am pleased to report one year later that the deficit has been reduced by more than half. I am confident that Karen Hawkins and Eric Solomon (Incoming Chair-Elect) will drive it home to a balanced budget over the next two years.
New Director

Last November we said farewell to Janet In, who had been promoted from staff counsel to executive director four years ago and who had decided to relocate with her family to the Northwest, which put an unexpected objective on my plate to lead the search and hiring of a new executive director. In April, we welcomed John Thorner as our new executive director. John has both the academic training and work experience to perform at the highest level for us. Read an interview with John inside this issue of ABA Tax Times. With John at the helm and a budget deficit that is well on its way to zero, I believe we have righted our ship and are well-poised to sail into the future.

Thank You

In closing, I would like to thank the talented and energetic team composed of the officers, Council Members, and staff who have all worked hard and contributed over this past year. They made my job possible. I am grateful to our Vice-Chairs: Chuck Rettig (Administration), Scott Michel (Committee Operations), Joan Arnold (Continuing Legal Education), Julian Kim (Government Relations), Bahar Schippel (Pro Bono and Outreach), and Julie Divola (Publications). I would also like to thank our Council Members: Allen Appel, Larry Campagna, Keith Fogg, Kurt Lawson, David Wheat, John Bergner, Tom Greenaway, Roberta Mann, Carol Tello, Gary Wilcox, Adam Cohen, Sheri Dillon, Ron Levitt, Chris Rizek, and Melissa Wiley. Our Secretary and Assistant Secretary were Cat Engell and Katy David. I would be remiss in not mentioning Dick Lipton and Armando Gomez, our delegates to the ABA House of Delegates. I must also acknowledge the wise counsel received from our Immediate Past Chair George Howell; our Chair-Elect Karen Hawkins; and our incoming Chair-Elect Eric Solomon. Last, but not least, were the staff, whose performance and commitment during this transitional year were unparalleled. Thank you to Ty Hansen (who served admirably in the acting director role for much of my term), Tom Blandi, Tim Brady, Sarah Deschauer, Anne Dunn, Sadia Ferguson, Haydee Moore, Greg Peacock, Isel Pizarro, Dan Swenson, Chris Tank, Jesse Tsai, and Derek Wagner.

My predecessor, George Howell, expected that we would continue his good works and propel the Section forward. With my thanks to George for his confidence, I believe we did just that. Now it is time for me to encourage my successor, Karen Hawkins, and turn the Section over to her and her officers and Council. It is with an easy confidence that I look to Karen to continue the goals and agendas already formulated, together with what will undoubtedly be exciting initiatives of her own. I believe that Karen will, with the support of all of us, move the Section forward.