

Sixth Federal Tax Conference



The Planning Committee for the Sixth Annual Federal Tax Conference at a luncheon meeting. Standing are (left to right): Harry Sutter, James M. Ratcliffe, Walter J. Blum, and John A. Howard. Seated at the head of the table is William A. McSwain, chairman of the Planning Committee.

The Sixth Federal Tax Conference sponsored by The Law School in collaboration with the School of Business and University College was held on October 28, 29, and 30, 1953. Professor Walter J. Blum and Assistant Dean James M. Ratcliffe represented The Law School on the Planning Committee. As in past years, the conference covered current developments in the fields of federal income, estate, and gift taxation.

John E. Jeuck, dean of the School of Business, welcomed the delegates, and the opening session on "Tax Policy and Prospects" was chaired by Professor Blum. Kenneth W. Gemmill, assistant to the Secretary of the Treasury, spoke on "The Tax Policies of the Administration," and Stanley S. Surrey, professor of law, Harvard Law School and chief reporter of the proposed new Income Tax Code, reviewed "The American Law Institute's Proposed Income Tax Statute."

The session on "Rulings, Cases, and Tax Accounting" was under the chairmanship of James D. Head, of Winston, Strawn, Black and Towner. At this afternoon session, Vance N. Kirby, of Daily, Dines, Ross and O'Keefe, reviewed "Important Recent Administrative Rulings and Interpretations"; Charles W. Davis, of Hopkins, Sutter, Halls, DeWolfe and Owen, analyzed significant recent decisions in "Taxes and the Courts, 1952-53"; and Herman T. Reiling, of the Internal Revenue Service, in "Tax Accounting for Repricing and Other Reserves" gave a lawyer's answer to the criticism that income-tax accounting does not give proper recognition to the accounting concept respecting reserves for meeting liabilities.

Paul Johnson, of Ernst and Ernst, served as chairman of the third session, devoted to the areas of "Employer and Employee Problems." Tax questions arising from

supplemental and incidental benefits received by employees were reviewed by Ray A. Hoffman, of Price, Waterhouse and Company, under the heading "Fringe Benefits for Employees." William C. Childs, of Hopkins, Sutter, Halls, DeWolfe and Owen, discussed "Deferred Compensation Plans for Executives" with reference to their purpose, provisions, and effect and emphasized income and estate tax aspects of such plans. "Employee Stock-Purchase Arrangements" was the subject assigned to Charles S. Lyon, of the New York Bar.

"Purchase and Sale of Corporate Business" was the theme of the fourth session, under the chairmanship of William M. Emery, of McDermott, Will and Emery. Frederick R. Shearer, of Mayer, Meyer, Austrian and Platt, reviewed tax planning in buying or selling a corporation or its assets under the title "Taxable Transfers of Corporate Businesses." An evaluation of alternative routes for effectuating tax-free transfers of corporate business, including mergers and consolidations, was the subject discussed by Robert F. Graham, of Gardner, Carton, Douglas, Roemer and Chilgren. "The Acquisition of Loss Companies" was the subject of the paper by Thomas N. Tarleau, of Willkie, Owen, Farr, Gallagher and Walton (New York).

Harry B. Sutter, of Hopkins, Sutter, Halls, DeWolfe and Owen, was chairman of the session on "Estate Planning." The practical considerations in utilizing the marital deduction was discussed by Roland K. Smith, of Isham, Lincoln and Beale. In "The Use of Powers in Estate Planning" Austin Fleming, of the Northern Trust Company, presented a comprehensive of tax and other factors in the providing for powers over principal and income either in inter vivos or testamentary dispositions. Mr. Fleming and Mr. Smith joined in a panel with Paul E. Ferrier, of the First National Bank of Chicago, and Professor William H. Pedrick of the Northwestern



A group of the participants of the Sixth Annual Federal Tax Conference are (left to right): Vance Kirby, Raymond Hoffman, Charles Davis, Roland K. Smith, William C. Childs, Paul Ferrier, and William Pedrick.

University School of Law on "Problems concerning the Marital Deduction and Powers."

The conference concluded with a round-table discussion conducted by Walter J. Blum, William M. Emery, William N. Haddad, Paul Johnson, and Harry B. Sutter, with participation by members of the audience. The problems discussed were submitted in part by the registrants.

This sixth annual conference was the largest yet held, with a capacity audience present at every session. As in the past the entire proceedings of the conference is to be published in *Taxes* magazine.