



Tax Executives Institute, Inc.

# **Guidelines for Committee Operations**

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Revised June 2007



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# I. The Purpose of These Guidelines

The work of Tax Executives Institute is conducted primarily by its committees. Historically, the Institute's Officers and Board of Directors have delegated much authority to its committees and, specifically, to its committee chairs. These guidelines set forth the procedures by which that authority is to be exercised. They are intended to facilitate the operation of the Institute's committees in a manner beneficial to the entire membership and consistent with the policies established by the Board of Directors and its Executive Committee.

Although the committees' discretion to develop educational programs and technical submissions is broad, decisions with respect to such matters cannot be considered final until properly approved. Thus, all proposed continuing education programs (including those at the Institute's major conferences) must be approved by the Continuing Education Committee, which is chaired by the Institute's Senior Vice President; similarly, invitations to government officials must be coordinated through TEI-Washington. Similarly, all proposed position papers and other submissions must be approved by the Institute's Executive Committee and signed by the President. The Institute's procedures with respect to educational programs and technical submissions are discussed in detail in these guidelines.

Any questions about the application of these guidelines should be directed to TEI-Washington.

**Note:** These guidelines make reference to and should be used in conjunction with the Institute's *Manual of Organization and Operation* (Revised June 2007), which contains general information about the Institute's organization, management, and operating procedures. Especially pertinent portions of the *Manual* are reprinted as Exhibits to these guidelines.

## II. General Information

### A. Organization of the Committee

#### 1. In General

Committees are formally constituted and committee chairs appointed at the first meeting of the Board of Directors following the Institute's Annual Meeting of Members (which is held in August). Plans for the year, however, must commence in advance of the August meeting if the committee is to have a successful year. In recent years, the Institute's President-nominee has endeavored to appoint chairs-designate no later than the Midyear Conference preceding the August meeting. The President also designates a member of the Institute's Executive Committee and the professional staff to serve as liaisons to each committee.

Between the time they are selected and the time they formally assume their positions, committee chairs should work with the President-nominee, the incumbent chair, and TEI's staff in developing plans for the year. This is especially important with respect to carryover activities (such as the tax courses or seminars) or activities that occur near the beginning of the Institute year (most notably, the Annual Conference).

The Institute's *Manual of Organization and Operation* (at pages 37-45) sets forth a list of all Institute committees, the charter of each committee, and other general information. This portion of the *Manual* is reproduced as Exhibit A.

#### 2. Leadership Seminars

The Institute generally holds an Executive Committee Orientation/Committee Chairs Seminar and a Leadership Seminar for incoming Institute and chapter officers, Executive Committee members, and committee chairs. (The two meetings may be held together.) The purpose of these seminars is to discuss the Institute's procedures and operations and to provide an orientation for the incoming leadership.

#### 3. Selection of Committee Members

a. *General Comments.* The first, and perhaps the most important, job of a new chair is to organize the committee into appropriate subcommittees, to appoint vice chairs and subcommittee chairs, and to appoint committee members. Ordinarily, the President accords the chairs discretion in constituting the committees. These tasks should be done in consultation with the President-elect and the incumbent chair, with appropriate input from the Executive Committee and staff liaisons to the committee. Since vice chairs frequently succeed to a committee's chair the next year, the selection of vice chairs should also be discussed with the Senior Vice President-nominee.

The Institute's U.S. and Canadian standing committees generally have two parts: a steering committee, the membership of which is determined by the committee chairs in consultation with the President; and the chairs of the counterpart chapter committees (*e.g.*, the chair of the Baltimore-Washington Chapter's Federal Tax Committee is a member of the Institute's Federal Tax Committee).

The chairs of the counterpart chapter committees to the Institute committee are automatically members of the Institute committee. Each committee chair will be informed of the chapter chairs' names as soon as the chapters provide that information to TEI-Washington.

Membership on an Institute committee is a responsible position, and the chair should only appoint members who express a willingness to participate in committee activities. One of the factors the committee chair should take into account is the member's ability to attend the committee's meetings (especially those held in conjunction with the Annual and Midyear Conferences). Inactive members should not be reappointed. Under the Institute's By-Laws, the President and Executive Director are *ex officio* members (without vote) of all committees, except the Nominating Committee. (The President is a regular member of the Nominating Committee.)

For purposes of continuity, the chair-designate should consider asking the incumbent chair to continue as a committee member. Equally important, committee chairs should be aware that one of their principal responsibilities is to find and develop new talent. To this end, they should let members know that their participation will be both welcomed and appreciated, encourage the active participation of chapter committee chairs, and make every effort to recognize the efforts of committee members. Committees must also scrutinize the committee roster to identify inactive members who should be challenged to step up their activity or resign. Turnover on a committee is a normal occurrence, with inactive members being dropped to make room for newcomers. There is no fixed number of members for each committee, but a committee's operations and efficiency will likely be compromised if a committee grows too large.

Committee chairs should select committee members who represent the diversity of the Institute's membership.<sup>1</sup> An effort should be made to include members from different geographic regions and industrial sectors. For example, the Federal Tax Committee should include members who work in the service or high-technology industries, as well as in capital-intensive industries, from the West Coast as well as the Sun Belt. Only one person per company may ordinarily serve on any one committee. In addition, an individual may generally serve on only one of the Institute's five U.S.-focused standing committees (Federal Tax, Financial Reporting, International Tax, IRS Administrative Affairs, and State and Local Tax Committee).

The Institute has no quota system and no single industry or company should be viewed as having an absolute right to have representation on a particular committee. The controlling factor must always be the individual's willingness to participate and to adhere to the Institute's *Statement of Mission, Principle and Purposes and Standards of Conduct*.

b. *Appointment of Vice Chairs and Succession Planning.* Not only should the chair endeavor to appoint members who will serve ably during the year, but he or she should also strive to develop successors from within the committee's ranks. Inasmuch as the President-nominee for the subsequent year will likely ask the chair for recommendations concerning who

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<sup>1</sup> On March 17, 2002, the Institute Board reviewed a report identifying behavioral, societal, and structural obstacles faced by women and minorities, as a group, in aspiring to TEI's top leadership positions. The committees play a vital role in grooming TEI leaders; hence, committee chairs are encouraged to keep its diversity objective in mind as they develop committee rosters and select subcommittee and vice chairs.

the chair's successor should be, the chair should be in the position of recommending three or four individuals for consideration by the President-nominee.

Each committee should have at least two, but generally no more than four, vice chairs to conduct the committee's work and facilitate identification of future committee leaders. The vice chairs might be given responsibility for overseeing particular technical projects or educational programs, or for developing talent within the committee.

Committees should consider holding monthly conference calls with their vice chairs and staff liaison (and perhaps less frequently, calls with the entire committee) to coordinate committee activities.

#### **4. Substantive and Administrative Committees**

In general, the Institute's committees are divided into two groups: committees on tax and tax-related issues ("technical" or "substantive" committees), and committees on TEI organization ("procedural" or "administrative" committees).

The duties and activities of the Institute's administrative committees are explained in the *Manual of Organization and Operation*. For example, the Institute's membership guidelines and procedures — which the Membership Committee is responsible for applying — are set forth on pages 27-34; and the Institute's procedures with respect to awards — which the Awards Committee is charged with applying — are set forth on pages 55-59 of the *Manual*.

The rules pertaining to the Institute's substantive committees, however, are not spelled out in detail in the *Manual*. This is because the scope of these committees' activities is generally broader and more fluid. The Institute's substantive committees have two principal functions:

- (1) education — the planning of continuing education programs (including those administered by the Institute under an agreement with its affiliated section 501(c)(3) organization, TEI Education Fund);<sup>2</sup> and
- (2) advocacy — the preparation of position papers and other technical submissions (including the development of agenda items in respect of the Institute's liaison meetings).

The Institute's procedures and the committees' responsibilities with respect to each of these areas are discussed in these guidelines.

#### **5. Non-U.S. Based Committees — Role of Regional Vice President**

The Institute Vice President for Region I generally serves as the President's liaison with the Canadian Income Tax Committee and Canadian Commodity Tax Committee, and has traditionally assisted the President in Canadian matters. (This is the case, even if the Vice President-Region I is not a member of the Executive Committee.) In addition, Region IX's

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<sup>2</sup> The establishment of TEI Education Fund and its relationship with the Institute are discussed in Part III.B.

Vice President, representing the European and Asian chapters, may be designated “Vice President — Region IX (Europe and Asia).”

In respect of the filing of submissions with Canadian government agencies or departments, please refer to Part IV.B.3. of these guidelines.

## **B. Committee Meetings**

The Institute’s committees should meet in person at least twice a year. Currently, two of these meetings are held on Sunday during the Annual and Midyear Conferences.<sup>3</sup> Committee meetings should be used—

- (1) to evaluate recent educational programs;
- (2) to discuss plans for the next conference;
- (3) to discuss plans for seminars, as well as for the Institute’s tax courses, under the committee’s jurisdiction;
- (4) to determine those areas in which the committee might seek authorization to prepare submissions for Executive Committee review; and
- (5) to discuss agenda items for the Institute’s liaison meetings with government officials.

Committee chairs should encourage all members of their committees to attend the meetings. A special effort should be made to include the chairs of the counterpart chapter committees in the activities of the committee.

Committee chairs may also call a committee meeting to work on special projects or to provide networking opportunities for committee members. These meetings should be coordinated with the TEI staff. The meetings may be held at TEI-Washington or in conjunction with TEI’s educational programs. For example, the International Tax Committee might hold a meeting immediately before or after a committee seminar.

Before each meeting of the committee, the chair should prepare a written agenda and distribute it to all committee members. Optimally, the agenda should be distributed in advance of the meeting. TEI-Washington will assist the committee chair in distributing the agenda.

In developing the agenda, the chair should consult with senior committee members, Institute officers, and TEI’s staff. During the meeting itself, there should be adequate time allowed for general discussion. Committee members should be encouraged to participate and to communicate directly with the chair. At the same time, committee chairs should strive to keep the Institute’s leadership informed of the committee’s activities. Consequently, chairs are requested to provide TEI-Washington with copies of all relevant correspondence with committee members.

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<sup>3</sup> TEI’s Asian and European tax committees generally meet during the meetings of their respective chapters.



Although not necessary, the chair should consider appointing an acting secretary at its committee meeting. The acting secretary would be responsible for taking minutes of the meeting and forwarding those minutes to TEI-Washington.

Committee reports may be reprinted in the Institute's publications or posted to TEI's website, as a means of apprising the membership of the committee's activities. In addition, the committee chair may choose to reprint or post the minutes of committee meetings. The committee chair should consider whether, in view of the conduct of particular meetings, this would be appropriate. If a committee chair desires to have the minutes reprinted in *The Tax Executive*, they should be forwarded to TEI-Washington as soon after the meeting as possible to reduce the "staleness" of the information.

## **C. Committee Reports**

In connection with each meeting of the Board of Directors, committee chairs should prepare a written report on the committee's activities. There are generally three meetings of the Board each year: in March or April (in conjunction with the Midyear Conference), in August (in conjunction with the Annual Meeting of Members), and in October or November (in conjunction with the Annual Conference). Committee reports should summarize and assess the committees' technical and educational activities since the chair's last report, preview upcoming activities, and offer suggestions for improvement.

Committee reports should be filed with TEI-Washington, which will distribute the reports to the Board. As a matter of courtesy, committee chairs should provide a copy of their reports directly to the President. TEI-Washington will advise committee chairs of the deadline for their reports, which is usually three weeks before the Board meeting. If formal minutes of the committee meetings are taken, those minutes should be attached to the chair's written report.

In addition to their written reports, committee chairs should be prepared to make oral reports to the Board of Directors and, upon request, to the Executive Committee.

## **D. Miscellaneous Matters**

### **1. Distribution of Materials**

Upon request, committee information will be circularized by TEI-Washington, usually by email. (TEI-Washington will also make mailing lists available to the chairs.) The material may also be posted to the private forums of TEI's website.

## **2. TEI's Website**

TEI's website, [www.tei.org](http://www.tei.org), should be utilized by committee chairs to communicate with their committees and the membership at large. Chairs may use the website to send messages to their members, and are encouraged to use the private discussion forum established for each committee to discuss committee business, solicit input (and new members), and strengthen the ties between the committees and the membership at large.

## **3. Use of Meeting Facilities**

TEI-Washington may be used for meetings of committees and subcommittees, but arrangements to use TEI facilities should be made in advance. There is room to seat 18 people around the conference table at TEI-Washington.

# III. Continuing Education Activities

## A. In General

The Institute's continuing education programs are developed and coordinated by the Continuing Education Committee, which is chaired by the Institute's Senior Vice President and whose members include the chairs of the Institute's technical committees. TEI-Washington is responsible for working with the Continuing Education Committee in planning and administering the Institute's educational programs. *Committee chairs are responsible for obtaining the Continuing Education Committee's approval of their proposed programs.*

The Institute's continuing education activities fall into four categories: major conferences, tax courses (which, for the most part, are administered by the Institute under an agreement with its affiliated section 501(c)(3) organization, TEI Education Fund), specialized seminars, and telephone seminars. The Institute's committee chairs are responsible for programs relating to technical matters under their committee's jurisdiction. For example, the Federal Tax Committee should take a lead role in planning the Federal Tax sessions at the Institute's two major conferences, the two week-long Federal Tax Courses (Level I and Level II), and any specialized seminars on federal tax topics that might be approved by the Continuing Education Committee. In particular, in consultation with the chair of the Continuing Education Committee (and, where appropriate, the Institute President and Executive Director), committee chairs must select both the topics to be discussed at a particular program and the speakers who will be invited to participate in the program.

It is the Institute's policy that government speakers or representatives may attend only those sessions where there is a government speaker on the dais. The press is also permitted to attend sessions where there is a government speaker. *Government speakers (and the press) will also be provided with copies of all handouts from the sessions in which government representatives participate.* Committee chairs should ensure that their speakers and audience are aware of the Institute's policy.

Committee chairs should generally consult pages 46-53 of the *Manual of Organization and Operation* in respect of the Institute's conference administration guidelines. This portion of the *Manual* is reproduced as Exhibit B.

## B. TEI Education Fund

In February 1987, TEI Education Fund was organized as a non-stock corporation under Virginia state law with the purpose —

to promote better understanding and administration of the federal, state, and local tax laws of the United States and the federal and provincial tax laws of Canada through discussion groups, forums, panels, lectures, publications, and other means . . . .

TEI Education Fund is a not-for-profit organization under section 501(c)(3) of the Internal Revenue Code. The Fund's tax-exempt status was recognized by the Internal Revenue Service on November 18, 1987.

The Fund's members consist of the members of the Executive Committee of Tax Executives Institute; the Fund's Board of Directors comprises all of the Fund's members and the Institute's Executive Director. The Institute's senior officers (President, Senior Vice President, Secretary, and Treasurer) hold the same offices with TEI Education Fund (with the Senior Vice President of the Institute serving as the Fund's Vice President), and the Institute's Executive Director serves in the same capacity with the Fund.

The activities of TEI Education Fund include sponsoring the following tax courses which are held annually or less frequently: Federal Tax Course-Level I, Federal Tax Course-Level II, State and Local Tax Course, International Tax Course, the Advanced International Tax Course, and Canadian Tax Course.

TEI Education Fund has no paid staff. Consequently, the Fund has contracted with the Institute to administer the five tax courses (as well as for other services). In addition, as a section 501(c)(3) organization, TEI Education Fund will consider requests for reimbursement in respect of government and academic speakers not only at Fund-sponsored education programs but also at courses, conferences, and seminars sponsored by Tax Executives Institute (including those at the chapter and regional level). Under current procedures of the Fund, reimbursement requests are granted in respect of government representatives and speakers affiliated with colleges, universities, or other section 501(c)(3) organizations; in addition, the Fund will consider requests for reimbursement of expenses incurred by TEI members or staff to participate in educational programs sponsored by the Internal Revenue Service, other government agencies, colleges or universities, or other section 501(c)(3) organizations.

In appropriate cases, the Fund may make grants to Tax Executives Institute or other organizations in respect of special programs; for example, the Fund provided financial support for the Institute's June 2007 conference on *The Tax Gap*, which will be cosponsored by other tax-related organizations, and for Institute publications, such as *Value-Added Taxes: A Comparative Analysis* and *The 2005-2006 Corporate Tax Department Survey*.

Throughout these guidelines, references are made to Institute courses and other programs. Where the courses are *sponsored* by TEI Education Fund (and merely *administered* by the Institute), those references should be so construed.

## **C. Meetings of the Continuing Education Committee**

The Institute's Continuing Education Committee meets at least twice a year during the Annual and Midyear Conferences; meetings may also be scheduled in conjunction with the Executive Committee Orientation/Committee Chair Seminar and the Annual Meeting of Members (in August). Conference calls and email discussions may complement the in-person meetings. The meetings afford the Continuing Education Committee an opportunity to review the just-completed conference and to make plans for upcoming educational programs. Specifically, the Institute's Continuing Education Committee —

- (1) conducts a “post-mortem” evaluation of the logistical and technical aspects of the just-completed conference;
- (2) agrees on the allocation of time (*i.e.*, the times at which each committee’s sessions will be held) for the next conference;
- (3) discusses general conference procedures and policies (*e.g.*, which sessions to hold concurrently);
- (4) reviews plans for specialized seminars, as well as for the Institute’s tax courses (including those administered by the Institute under contract with TEI Education Fund); and
- (5) explores the means by which the committees’ activities can be better coordinated.

The meetings of the Continuing Education Committee are important, and committee chairs should make every effort to attend and present their committees’ views and recommendations. If a committee chair cannot attend the meeting, he or she should secure the commitment of a committee vice chair to participate.

## **D. Types of Educational Programs**

The Institute sponsors (or administers) essentially four types of educational activities: major conferences (which typically run from Monday through Wednesday); tax courses (which typically run from Monday through Friday and which are administered by the Institute under contract with TEI Education Fund); specialized seminars (typically one-and-a-half to three days in length), and telephone seminars or web conferences on discrete topics (which usually run for two hours or less).

### **1. Conferences**

The Institute holds two conferences each year: an Annual Conference in October or November at a location approved by the Institute Board of Directors; and a Midyear Conference in March or April in Washington, D.C.

The technical conference program begins on Monday morning. The assignments for each conference (*i.e.*, which committee is responsible for which sessions) are made after the Continuing Education Committee reviews and approves a proposed conference schedule that takes into account topics and speakers submitted by the committee chairs. The proposed conference schedule is prepared and approved soon after the conclusion of the preceding conference. For example, assignments for the 2008 Midyear Conference will be made within weeks of the conclusion of the 2007 Annual Conference.

### **2. Senior Tax Executives Conference**

The Institute holds an annual Senior Tax Executives Conference, usually in May, to address technical and managerial challenges confronting top tax executives. Attendance at this conference is limited to promote the candid exchange of views among registrants. To ensure

the widest divergency of views, attendance is generally limited to one person per company, optimally the chief tax officer.

### **3. Tax Courses**

The Institute administers week-long tax courses that are formally sponsored by its affiliated section 501(c)(3) organization, TEI Education Fund: Federal Tax Course-Level I and II, State and Local Tax Course, International Tax Course, the Advanced International Tax Course, and the Canadian Tax Course. The courses are ordinarily held in a campus or conference center setting. The Canadian course has been held in either Montreal or Toronto, and because of the lack of on-campus facilities, the course has typically been held at a hotel. It is also usually held less frequently than the other courses.

### **4. Specialized Seminars**

a. *In General.* As the need arises, the Institute sponsors seminars on specialized topics. In recent years, the Institute has sponsored between four and six seminars annually. The seminars usually run from one-and-a-half to three days in length and are held in an accessible location. In recent years, programs have been held in Chicago, Atlanta, Orlando, San Francisco, Dallas, and Phoenix.

The subject areas for seminars must be approved by the Institute's Continuing Education Committee. In determining which seminars will be held, the Continuing Education Committee will consider numerous factors, including whether the perspective the Institute could bring to the seminar is unique or otherwise not available.

b. *Calendar for the Year.* Proposed seminars must "fit" into the Institute's calendar for the year. This is not only because of the demands placed on Institute Officers, committee chairs, and TEI's staff, but also because of concern that — unless restraint is exercised — the membership will feel "deluged" by mailings for Institute programs. The calendar of events for the year will be provided to the committee chairs as soon as it is set.

### **5. Telephone Seminars/Web Conferences**

The Institute holds telephone seminars or web conferences on late-breaking topics. For a nominal fee, members can dial into a central location to hear speakers discuss current developments. The fee is set on a per-line basis; members can use a speaker phone and have as many people as they want listen to the presentation; they may also ask questions. Playbacks of the programs are also available for a fee.

The programs are typically set up about a month in advance, last for 100 minutes and have proven very popular with the membership. Program topics must be approved by the Chair of the Continuing Education Committee and the timing of the seminar should be coordinated with TEI-Washington.

Other distance learning opportunities may also be available as the Institute moves to a more web-focused method of delivering technical content.

## **6. Continuing Professional Education Credit**

State boards of accountancy, bar associations, and similar quasi-governmental organizations impose mandatory continuing education requirements on their members. The Institute makes every effort to design and conduct its (and TEI Education Fund's) programs in a manner consistent with the (sometimes varied) requirements of state accrediting agencies.

To this end, TEI-Washington has contacted accrediting agencies in all 50 states and the District of Columbia to request information about approval for sponsorship of continuing professional education (CPE) programs. Where prior approval is required, TEI-Washington will submit the necessary application. TEI is registered with the National Registry of CPE Sponsors (which is affiliated with the National Association of State Boards of Accountancy) as a sponsor of educational programs.

TEI provides a continuing professional education form for each registrant at its conferences, courses, and seminars, which should be completed at the end of the program and returned to the TEI Registration Desk; certificates are subsequently sent to participants. Because of the accrediting agency rules, TEI is able to offer CPE credit for telephone seminars or web conferences only to the registrant for the program.

## **E. General Timetable**

The Institute's educational calendar is filled with deadlines. There are deadlines for technical programs, for the printed brochures and programs (whether mailed or posted on TEI's website), for outlines and handout materials from speakers, and for biographies and notification of audio-visual or other special requirements.

In endeavoring to meet all these deadlines, the Institute must rely on its committee chairs. Their role is paramount. Thus, TEI-Washington may request the assistance of committee chairs in contacting the speakers about the deadlines.

To ensure the brochure is in the hands of the members between 60 and 90 days prior to the start of the program, the Institute has established a schedule for processing the required information. Committee chairs will be informed of the various program deadlines at the beginning of the Institute's fiscal year.

If program materials are to be distributed on time, the committee chair must meet the deadlines for getting his or her program approved by the Continuing Education Committee and then forwarding the approved program to TEI-Washington.

There are reproduced as Exhibits C, D, and E checklists of the "generic" deadlines in respect of (i) conferences, (ii) tax courses, and (iii) specialized seminars.

## **F. Selection of Topics**

### **1. Conferences**

Committee chairs are given broad discretion in determining the topics to be discussed at the Institute's major conferences. All programs, however, must be approved by the Continuing Education Committee. As a matter of courtesy, committee chairs should consult with the Institute President in setting their programs.

In setting the program for the conference's technical sessions, committee chairs should consider recent or pending legislation; proposed and temporary regulations, revenue rulings, administrative procedures; and court cases. In other words, committee chairs must consider the whole gamut of possible topics. Committee chairs are also encouraged to leave adequate time for questions and open discussion.

### **2. Tax Courses**

Although the general format of the tax courses sponsored by TEI Education Fund is fairly well set, the appropriate committee chairs should not be averse to modifying certain aspects of the course under their jurisdiction (after evaluating the merits of particular sessions or speakers) or even effecting a significant revamping of a course. The committee chair should secure the approval of the Continuing Education Committee's chair before proceeding.

In planning the course, committee chairs should not only review the course evaluations completed by students at the previous year's class, but also consult with fellow committee members, faculty members, and the TEI staff. Committee chairs should also modify the course to reflect changes in the law.

### **3. Specialized Seminars**

Committee chairs should consult with the Continuing Education Committee and their fellow committee members in selecting the specific topics to be addressed at the Institute's seminars. In planning a seminar, care should be taken to ensure that the Institute's program does not represent a mere "echo" of programs sponsored by other organizations. Special emphasis should ordinarily be placed on the practical implications of the technical issues being discussed. It is no coincidence that the Institute's most popular seminars are those that stress "strategies for success."

## **G. Selection of Speakers**

### **1. In General**

Committee chairs are generally given wide latitude in selecting speakers for the Institute's educational programs. In selecting speakers, the principal concern must be the speaker's knowledge and ability to communicate effectively with the audience. In addition, the chair should consider asking the committee's vice chairs to moderate sessions. Although none of the following points is controlling, they should all be kept in mind:

a. *Balance Between Member and Non-Member Speakers.* Where possible, speakers should be drawn from TEI's membership. This is especially desirable at the technical



sessions during conferences and at seminars (where the sharing of practical experiences is one of the principal goals).

b. *Balance Among Different Accounting, Law, and Consulting Firms.* Committee chairs should strive for some balance among the different accounting and law firms “represented” by program speakers, and care should be taken not to repeatedly invite the same individuals to appear on Institute programs. (This latter point is generally not applicable in respect of our tax courses.) This “rule,” however, is not absolute. One of the major international accounting firms cannot assume it will be “represented” at a conference simply because one of its competitors was “represented” at an earlier one.

Similarly, if an individual receives very high marks, there is no reason to exclude him or her from future programs merely to prevent “repeat” speakers. Indeed, there are several individuals who are “TEI regulars” because they do uniformly good jobs. Nevertheless, committee chairs should recognize that there are individuals in any one of a number of law or accounting firms who can do an excellent job. In particular, committee chairs should endeavor to consider speakers from firms that are sponsors of the Institute’s educational activities.

c. *Diversity of Speakers.* TEI’s leadership has identified increasing the diversity of its speakers as a key objective. Committee chairs are encouraged to keep this objective in mind as they plan educational programs.

d. *Preparation of Program Materials*

i. *In General.* Speakers should be willing to prepare outlines or other materials for distribution to program registrants. Program registrants have almost universally given higher ratings to speakers who provide such materials than to those who do not. Conversely, speakers who do not prepare handouts (including copies of their overheads or slides) are almost uniformly rated lower. In addition, the preparation of handout materials by program speakers facilitates the accreditation of Institute programs for continuing education purposes. Consequently, potential speakers should be advised that they are *expected* to prepare program materials on a timely basis and to meet TEI’s guidelines on the use of visual aids. Committee chairs should also consider a speaker’s history of submitting quality materials (within the time frame prescribed by the Institute) in determining whether the speaker should be invited to participate on educational programs.

The Institute has generally had less success in securing handout materials from TEI members than from speakers who engage in private practice. Thus, to a certain extent there is a trade-off between this point and item a. above (“Balance between Members and Non-Members”). In any event, committee members who participate as speakers should be encouraged to prepare materials for distribution to program registrants.

ii. *Possible Publication of Adapted Materials.* Potential speakers should be informed that *The Tax Executive*, the Institute’s bi-monthly professional journal, would be pleased to review, for possible publication, articles adapted from their program materials. The final decision with respect to any such adaptation, however, will rest with the magazine’s Editor in consultation with its Editorial Review Board.

iii. *Distribution of Handout Materials.* It is the Institute's policy to provide government speakers and the press with copies of the handout materials from the sessions in which government representatives participate. Committee chairs should ensure that other program speakers and participants are aware of this policy.

## **2. Government Speakers**

Ordinarily, committee chairs will personally invite individuals to participate on Institute-sponsored or -administered programs as speakers and TEI-Washington will confirm the invitation by means of a letter from the Executive Director to the speaker. In the case of government officials, however, the official invitation may be issued in the name of the Institute's President. Thus, although committee chairs are encouraged to make the preliminary contact with government officials who are potential speakers, they should coordinate such contacts with the Executive Director.

In this regard, Institute procedures provide that the selection of keynote speakers and luncheon speakers at the major conferences is the President's prerogative, though he or she will generally discuss their selection with the Continuing Education Committee.

It is the Institute's policy that government representatives will be permitted to attend only those sessions where there is a government speaker; government representatives (including speakers) are *not* permitted to attend sessions that include only private practitioners or TEI members as speakers.

## **3. Issuance of Invitations and Correspondence with Speakers**

TEI-Washington will confirm a speaker's agreeing to participate in an Institute (or Fund) conference, course, or seminar. These confirmations generally take the form of a letter or email from the Executive Director, and include information about the various deadlines in respect of program materials (such as biographical sketches and handouts), as well as the Institute's procedures concerning accommodations and its reimbursement policies. A speaker's guide is also included. TEI-Washington will also advise the speaker of the number of expected program registrants.

TEI-Washington will ordinarily remind call speakers of upcoming deadlines or, if the deadline has passed, inquire whether any materials will be sent. On occasion, the committee chair may be asked to intercede in the Institute's behalf.

Committee chairs should provide TEI-Washington with copies of all their correspondence with speakers. Through this exchange of information, misunderstandings can be either avoided or corrected.

## **4. Preparation/Coordination**

The committee chair or session moderator at an Institute program should contact the speakers to ensure that the presentations are coordinated and do not overlap with another panel or presentation. Conference calls with the speakers should be held and the committee chair should optimally be presented with a copy of the handout in time to permit the speakers to "fine tune" their presentations.

## 5. Reimbursement Policies

The Institute's reimbursement policies are set forth in the *Manual of Organization and Operation* at pages 47-48. (See Exhibit B.)

a. *Conferences.* TEI will generally not reimburse TEI members and private practitioners for the expenses incurred in attending the program. In addition, TEI members wishing to attend a conference must pay the conference registration fee if they wish to attend the conference. Members who do not attend other sessions need not pay the conference fee. As used in this paragraph, the term "TEI member" includes those speakers who are employed by a member's company.

TEI will generally reimburse speakers from the government or academia for the reasonable travelling expenses incurred in participating in the conference, including round-trip coach airfare, two nights' standard-rate lodging at the conference hotel, reasonable ground transportation, meals, and appropriate miscellaneous expenses. Spouse expenses and out-of-pocket expenses incurred in connection with preparing for the conference (e.g., copying expenses or telephone expenses) are generally not reimbursable. *Any reimbursement of such expenses must be approved by the Institute's President or Executive Director in advance of the conference.* (For additional information on reimbursement of government speakers, see paragraph d., below.)

TEI will not reimburse private practitioners who speak at the Institute's conferences.

b. *Seminars.* TEI will not reimburse private practitioners who participate as "faculty" members at specialized seminars. Members who speak at such seminars, however, may be reimbursed for their reasonable travelling expenses (as outlined above). This policy also governs the reimbursement of expenses incurred by a committee chair in connection with his or her attending a seminar sponsored by his or her committee. (Members will not be reimbursed for their expenses if their participation is limited to appearing as a moderator or panelist.)

Registration fees at Institute-sponsored seminars are waived in respect of TEI members who participate on the program as speakers, panelists, or moderators.

c. *Courses.* TEI will not reimburse private practitioners for expenses incurred to participate as faculty members at courses. TEI will reimburse the reasonable travelling expenses of TEI members and company staff who participate as faculty members at an Institute course. All faculty, including private practitioners, are provided lodging and meals during their stay at the course facility. Registration fees are waived for TEI members who participate on the program. In addition, a committee chair who wishes to attend the course sponsored by his or her committee will be entitled to reimbursement of travelling expenses and need not pay the registration fee (which includes lodging and meals).

d. *Government Speakers.* Under current government regulations, employees of the Internal Revenue Service and the U.S. Department of the Treasury may not accept reimbursement from other than a section 501(c)(3) organization. TEI is not such an organization (but rather is a section 501(c)(6) organization). Consequently, requests for reimbursement from

government speakers will generally be referred to TEI Education Fund, which is a section 501(c)(3) organization, for payment.

Any questions about this issue, including whether arrangements can be made pursuant to which reimbursement can properly be made to government employees, should be directed to the Institute's Executive Director.

e. *In General.* Speakers are informed of the Institute's reimbursement policies at the time TEI-Washington confirms the speakers' participation on a conference, course, or seminar program. (See Exhibits F through H.)

## **6. Honoraria**

The Institute's policy concerning the payment of honoraria is set forth on pages 47-48 of the *Manual of Organization and Operation*. (See Exhibit B.) In general, the Institute is disinclined to pay honoraria. In certain circumstances, honoraria may be paid to elected officials, college professors, and non-U.S. or Canadian speakers. *In all events, however, the payment of honoraria must be approved in advance by the Institute's President, Senior Vice President, or Executive Director.*

## **7. Other Matters**

a. Non-member speakers are customarily invited to attend certain meal functions and associated receptions during the Institute's conferences. (If the speaker is accompanied by a guest, the speaker will need to purchase a ticket for his or her guest; this rule is waived in respect of speakers who are government representatives and can be waived in other circumstances by the President or Executive Director.) Invitations are issued by TEI-Washington. Although the determination of guest lists is a prerogative of the President (and therefore may change from conference to conference), in the past Monday speakers have been invited to the Sunday reception; Tuesday and Wednesday speakers have been invited to the Tuesday banquet; and speakers have been invited to the luncheons on the day on which they are on the program.

b. At the banquet during the Institute's major conferences, there will generally be reserve tables for program speakers, committee chairs, and special guests (including government officials). Such table assignments may also be made in respect of conference luncheons. These VIP table reservations, which are made at the request of the Institute President, are separate from the table reservations that all conference registrants may make. VIP table assignments will be included in the conference registration packets distributed to all conference registrants (including non-member speakers).

If a committee chair is unable to sit at an assigned VIP table, the staff should be notified immediately; depending upon how much notice is given the staff, it may be possible to adjust the other table assignments to ameliorate a possible "empty table" problem where only a few individuals sit at a (rather well-situated) reserved table while other conference registrants find it difficult to secure seats at non-reserved tables. Similarly, to avoid "overbooking," committee chairs should check with the staff before inviting someone to join them at a reserved VIP table.

c. As a matter of courtesy, if specific table assignments are not made by TEI-Washington, committee chairs should generally invite “their” speakers to sit with them at the conference luncheons to which the speakers are invited. In this regard, there will usually be at least two or three tables reserved for committee chairs and other individuals (members and non-members) who participate on the technical programs.

d. Non-member speakers are generally not to attend any conference technical sessions other than those in which they participate. Requests to waive this rule should be discussed with the Institute’s President or Executive Director. As used in this paragraph, the term “non-member speaker” does not include speakers who are employed by a member’s company.

## **H. Post-Program Activities**

1. Following an educational program, TEI-Washington sends thank-you letters to all speakers in the name of the Institute (or TEI Education Fund) and the appropriate committee chair. Copies of those letters are provided to the committee chair.

2. Speakers at the Institute’s tax courses and specialized seminars are generally provided with a token of the Institute’s appreciation, such as a gift basket. A reference to the gift will be made in the thank-you letter.

3. Following educational programs, the staff will compile the evaluation forms that are completed by program registrants and forward the evaluations to the appropriate committee chair. These evaluations should be used in planning future programs.

4. Program materials are generally available for sale to TEI members after the education program has been held. For the 2007-2008 fiscal year, the price of the materials will be \$350 for conferences, \$450 for seminars, and \$550 for courses.

## **IV. Preparation of Submissions and Other Technical Activities**

### **A. In General**

Tax Executives Institute is exempt from federal income taxation as a “business league” under section 501(c)(6) of the Internal Revenue Code. As a business league, the Institute is not prohibited from presenting the views of its members to legislative bodies, government agencies, or the public. Under procedures adopted by the Institute’s Board of Directors, the Executive Committee is the policy-making body of TEI (except where the Board chooses to exercise that authority directly). Position papers and other submissions approved by at least two-thirds of the Institute’s Executive Committee become TEI policy.

Before assuming office, committee chairs should familiarize themselves with the technical and policy positions taken by the Institute in their committees’ areas of responsibility. Consequently, they should review all submissions filed by the Institute within two years of their appointment. The Institute’s submissions are generally reprinted in *The Tax Executive* and online at [www.tei.org](http://www.tei.org). Questions with respect to the Institute’s positions should be directed to the Executive Director or the Institute’s professional tax staff.

### **B. Institute Policy on Legislative and Technical Activities**

#### **1. In General**

Since 1972, TEI has taken positions on issues of tax administration and policy in accordance with policies and procedures adopted by the Institute’s Board of Directors. Over the years this policy has been modified, and in 1991 the Institute’s Board approved a comprehensive restatement of the Institute’s policy on legislative and technical activities. The current policy statement is set forth on pages 60-64 of the Institute’s *Manual of Organization and Operation* and is reproduced as Exhibit I. Committee chairs are requested to carefully review the policy statement.

In general, the policy statement authorizes the Institute to take and disseminate positions on issues affecting taxpayers in the United States, Canada, or other countries (including any political subdivision); such issues may relate to direct or indirect taxation of business entities, their affiliates, or employees, or to the administrative burden imposed by tax rules on the business community. Under the policy, representations in the Institute’s name can be made to legislative bodies and executive agencies at all levels. Thus, submissions can be filed with and testimony presented to Congress, any of its members, committees, or staff; the Department of the Treasury, the Internal Revenue Service, and other U.S. agencies; the Organisation for Economic Cooperation and Development; European Commission; state (or local) government officials or agencies; Canadian federal or provincial (or local) government officials or agencies; or other governmental or quasi-governmental officials or agencies. In addition, in appropriate cases, the Institute may submit an infringement complaint to the European Commission or become involved in litigation as an *amicus curiae*.

All proposed positions must be presented to the Executive Committee for consideration and shall not be ascribed to the Institute unless approved by at least a two-thirds affirmative vote. All submissions must also be signed by the Institute's President, except where the policy statement specifically authorizes a different signatory (*e.g.*, in respect of Canadian and certain chapter submissions). Committee chairs should not accept an invitation to submit written comments on behalf of the Institute without the advance approval of the Institute President and Executive Director.

Requests to use Tax Executives Institute's name in a legislative or technical presentation may initiate from a Standing Committee, a Chapter, or a Special Committee. It is anticipated that most proposals will be initiated by a Standing Committee. The Executive Committee will consider proposed submissions or testimony on legislative or technical matters only after such proposals have been reviewed by the pertinent committee chair and the Institute's professional staff.

## **2. Consideration by the Full Board**

On occasion, because of the special significance or potential divisiveness of an issue, the President may decide that no position paper should be filed by the Institute until the matter has been discussed by the full Board of Directors. In such cases, a summary of the proposed position paper — or a series of “bullet points” on which the submission would be based — will usually be distributed to the Board, and the appropriate committee chairs will be asked to lead the Board's discussion of the matter.

In cases where a proposed position is considered by the full Board, the Board will ordinarily undertake only to prescribe the principles or policy positions on which the submission is to be based. Thus, even in such cases, it will leave the actual wording of the submission to the Institute's Executive Committee.

## **3. Special Rules: Canadian and State and Local Submissions**

The March 1991 policy statement sets forth special rules relating to submissions filed with either Canadian government officials or agencies or with state or provincial government officials or agencies (including submissions initiated by one or more of the Institute's chapters). Committee chairs becoming involved with such submissions should carefully consider those special rules.

## **4. Special Rules: *Amicus* Briefs**

The March 1991 policy statement sets forth special rules relating to the preparation and filing of briefs *amicus curiae* in court cases. Committee chairs becoming involved with such briefs should carefully consider those special rules.

# **C. Testimony at Public Hearings**

The Institute frequently testifies at legislative or IRS hearings on issues of concern to the membership. The positions espoused at the hearings must have been approved by the Institute's Executive Committee and, in the normal course, the testimony will represent a summary of a

position paper that has been previously approved in accordance with the procedures discussed above. Committee chairs should not accept an invitation to testify on behalf of the Institute without the advance approval of the Institute President and Executive Director.

Where the Institute chooses, or is called upon, to testify before a legislative body or executive agency, the Institute shall be represented by its President, or by whichever committee chair,<sup>4</sup> TEI member, or member of the professional staff that the Institute President designates. The content of the testimony remains subject to these procedures, though the President retains the discretion to determine whether testimony in support of a previously approved TEI position need be reviewed by the Executive Committee.

Even if the President is the witness at a public hearing, it is common for the appropriate committee chair, as well as the Institute's Executive Director and a member of the legal staff, to accompany him or her.

## **D. Development of Position Papers**

### **1. In General**

Nearly all Institute submissions emanate from the standing committees. Under the Institute's procedures, a proposed submission may be referred to the Executive Committee by a majority vote of a steering committee. Usually, however, the President (or Executive Committee) has requested the committee to develop a proposed submission and a formal vote of the steering committee is not necessary.

Proposed submissions may also be referred to the Executive Committee by any of the Institute's chapters. Such chapter proposals must be approved by two-thirds of the affected chapters' Boards of Directors.

### **2. Subject Matter**

The subject matter of proposed submissions is in large measure determined by the committee chair in consultation with the Institute's President, other members of the Executive Committee, committee members, the Executive Director, and a member of the Institute's professional tax staff.

In developing their technical submissions, committee chairs should review proposed and recently enacted legislation, proposed and temporary regulations, new revenue rulings and procedures, new forms, and other official pronouncements. Committee chairs should recognize that the preparation of preregulation comments has often proven quite successful — more successful on the whole than comments on proposed regulations.

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<sup>4</sup> In selecting committee chairs, the President will ordinarily take into account a prospective chair's willingness and ability to testify on the Institute's behalf. (Some companies place restrictions in this regard on their employees.)



### **3. Logistics**

a. *Drafting.* Ideally, drafts of proposed position papers should be developed by individual members of the appropriate committee or be the result of drafting sessions involving members of the committee and the Institute’s professional tax staff. Often, however, the Institute’s professional tax staff will prepare a draft submission that is reviewed by the committee chair (and members of the committee) before being referred to the full committee or to the Executive Committee.

b. *Review.* Once a position paper has been drafted (and, where appropriate, revised by the Institute’s professional tax staff to conform it to TEI’s “style”), it will ordinarily be sent for review to the appropriate committee chair and to the other members of the Institute who participated in the drafting process. After the comments of these reviewers have been incorporated into the draft, the draft will be circulated to the Institute’s Executive Committee. (On occasion, time will not permit a bifurcated review of the submission, and the draft will be sent to the committee chairs and drafters at the same time it is forwarded to the Executive Committee.) Although time is often very short, every effort should be made to place a proposed position paper in the hands of Executive Committee members at least three days before their comments are due. Ideally, Executive Committee members will have a weekend during which they might review a draft.

Under the Institute’s current procedures, Executive Committee members are requested to email or call the Institute’s professional tax staff with their technical and substantive comments on a proposed submission. If a position paper raises policy concerns, Executive Committee members are encouraged to discuss them directly with the President. (Email can facilitate a discussion among all members of the Executive Committee.) It is the professional tax staff’s responsibility to ensure that no submission is filed unless it has been affirmatively approved by at least two-thirds of the Executive Committee (including the Institute’s President).

After receiving the comments of Executive Committee members, the professional tax staff will discuss those comments with the appropriate committee chair and with the President. Frequently, a revised draft of the submission — on which the revisions made by the Executive Committee are “red-lined” — is sent to the President and the committee chair to help ensure the overall technical accuracy and integrity of the submission.

c. *Confidentiality of Proposed Submissions and Other Committee Correspondence.* A submission should be regarded as confidential until it is approved by the Institute’s Executive Committee (pursuant to the procedures discussed above). Consequently, draft position papers or other submissions should generally not be disseminated outside the appropriate committee. Committee discussions formulating draft positions should also be kept confidential.

## **E. Liaison Meetings**

### **1. In General**

In addition to formal position papers and other submissions, the Institute prepares detailed written agendas in connection with the liaison meetings that are held annually with

representatives of the U.S. Department of the Treasury; the staff of the Joint Committee on Taxation; the Commissioner of Internal Revenue and other senior officials of the Internal Revenue Service; the Commissioner of the IRS Large and Mid-Size Business Division; the Canadian Department of Finance; Canadian Department of Justice; Canada Revenue Agency; and the Federation of Tax Administrators. (Meetings may also be held with the Multistate Tax Commission and OECD or European Union officials or tax or finance ministry officials from other countries.) Committee chairs play a significant role in the development of the liaison meeting agendas.

## **2. Agendas**

The agendas for the Institute's liaison meetings are developed by the Institute's President in consultation with committee chairs, the Executive Director, and the professional tax staff. Optimally, the written agendas should be forwarded to the appropriate government officials at least a month before the meeting. The agendas are usually reprinted in *The Tax Executive* and posted on TEI's website.

In developing agenda topics, committee chairs should contact the members of their committees (including the chairs of the counterpart chapter committees). Potential agenda items should be discussed at the committee meetings following the Annual Conference.

## **3. Delegations**

The President will determine the composition of the Institute's delegations to the various liaison meetings. In general, the delegations are composed of senior Institute officers and members of the Executive Committee, "substantive" committee chairs and committee members (especially with respect to the Canadian or European liaison meetings), and Institute staff. Although every effort will be made to include those individuals who participated materially in the development of the agendas, the number of individuals included in each delegation will be limited.

The delegations will usually be identified at least one month before the liaison meetings.

## **4. Minutes**

Following the liaison meetings, minutes of the meetings will be prepared. The Institute's professional tax staff will ordinarily undertake to draft the minutes of the U.S. liaison meetings, which will then be referred to the appropriate government officials for "clearance." The chairs of the Canadian Income Tax Committee and Canadian Commodity Tax Committee (in consultation with the Region I Vice President) should ordinarily appoint a member or members of the Institute's delegation to the Canadian liaison meetings to draft minutes. Before being submitted to government officials, the draft minutes should be reviewed by the Institute's President and other members of the Institute's delegations to the meetings (including Institute staff).

## F. Press Relations

After a position paper has been approved by the Executive Committee and filed with the appropriate government officials, it is disseminated by TEI-Washington to various news organizations. Frequently, the filing of a submission will prompt inquiries from the media. (The Bureau of National Affairs' *Daily Tax Report*, *Tax Notes*, *CFO Magazine*, *Business Week*, *CCH*, *Forbes*, *The New York Times*, and *The Wall Street Journal* frequently contact TEI-Washington for comment.) TEI-Washington will generally refer questions to members of the Institute's Executive Committee or the appropriate committee chair. In selecting committee chairs, the President will ordinarily take into account a prospective chair's willingness and ability to talk with reporters concerning matters on which the Institute has taken a position. (Some companies place restrictions in this regard on their employees.)

On some occasions, a reporter will contact TEI-Washington to request the names of TEI members who may wish to comment on certain tax proposals or other tax developments (without regard to whether the Institute has taken a formal position on the matter at issue). TEI-Washington will undertake to comply with media requests on the ground that the interests of all TEI members — and indeed the tax system as a whole — are best served by the explication of the legitimate concerns of tax executives. The principal persons to whom TEI-Washington will refer the media are the Institute's officers and committee chairs.

In responding to media inquiries, committee chairs or other members should emphasize that only the President may formally speak for the Institute. This is not to say that committee chairs and other members may not respond to questions or statements or summarize the Institute's concerns about, or position with respect to, any specific matter. Often a reporter is seeking general or background information concerning "industry" concerns about a particular proposal or provision; committee chairs should feel free to discuss such matters generally or to speak on their own or their company's behalf. Care should be taken, however, that the member's views are not mistakenly ascribed to the Institute.

It is the Institute's policy that the press will be permitted to attend those educational sessions involving government speakers. In these situations, the press will also be entitled to receive all of the handouts for those sessions. Committee chairs should ensure that program participants are aware that reporters are in attendance during a given session.

[Any questions about these *Guidelines for Committee Operations* should be directed to TEI-Washington: 202.638.5601.]

## EXHIBIT A

### STANDING COMMITTEES

#### General

Under the By-Laws, the Board of Directors is empowered to establish standing committees, to determine how many members will serve on the committees, and to designate their duties. (The By-Laws require only that an Executive Committee, the Membership Committee, and the Nominating Committee be appointed by the Board each year.) Not only may committees be abolished and new ones created to meet changing circumstances, but committee duties may also be changed or reconfigured from time to time. TEI's policy on legislative and technical activities is set forth in a policy statement that is reprinted in the *Manual*.

Approved communications of an official nature between TEI and any government agency or other organization must be forwarded to the Executive Director and the Institute's professional tax staff for review and approval (and, in appropriate cases, the signature of the President). Institute committee chairs coordinating or preparing TEI position papers, letters, etc., that are to be sent to any outside organization should allow ample time for such documents to be reviewed. Also, meetings between the Institute and government representatives should be coordinated through TEI-Washington. *No Officer, Director, member, or standing committee shall make oral or written representations on TEI's behalf without the approval of the President.*

Committee deliberations, including the review of draft submissions, are confidential. Drafts should not be provided to non-members; committee matters should not generally be discussed with outsiders.

The Institute has developed a separate set of *Guidelines for Committee Operations* that elaborate on the procedures and policies set forth in this *Manual*. Those *Guidelines* should be used in tandem with this *Manual*.

#### Institute Policy on Committee Operations

The scope and function of each committee shall be set forth in writing and approved by the Board of Directors.

Each committee should have one or more vice chairs and subcommittees appointed by the chair (in consultation with the President and Senior Vice President). The committee chair is charged with developing future leaders of the committee.

The appointment to membership should preserve continuity as well as introduce new talent.

Each Institute committee shall be tied in with a corresponding chapter committee wherever possible.

Each Institute committee shall have designated liaisons to TEI's Executive Committee and staff.

Each committee shall prepare a plan of operation for the forthcoming year within established long-range goals and objectives and submit it to the incoming President in advance of the Annual

Meeting of Members.

Each committee shall meet at least twice each year, generally during the Annual and Midyear Conferences; other meetings should be scheduled as required. (The committee may also meet in person or by conference call.)

The chair of each committee shall make a report to the President for consideration of the Board of Directors at the Board meetings held during the Annual and Midyear Conferences. The President may also request committee reports before Executive Committee meetings, as well as in advance of each year's Leadership Seminar.

Committee reports shall be made in writing and submitted in advance of the Board or Executive Committee meetings in time to permit reproduction and forwarding with agendas to each director.

## **Coordination**

It is the responsibility of the Executive Director:

to coordinate the work of all Institute committees, and for this purpose the Executive Director shall be an *ex officio* member, without vote, of all committees except the Nominating Committee;

to consult with and be consulted by all committee chairs in setting dates and arranging committee meetings;

to provide necessary clerical assistance for the work of all committees;

to assist the President as directed in keeping all committees active; and

to keep the President informed on all committee work and progress.

In discharging these responsibilities, the Executive Director will assign particular tasks to the General Counsel, Chief Tax Counsel, and other members of the staff.

## **Committee Appointments**

Normally, each committee chair will appoint other members of the committee in consultation with the President. Subcommittees will be established to facilitate the effective discharge of any committee's responsibilities. In addition, the chairs of the counterpart chapter committees are automatically members of the Institute standing committees.

## **Committees on Tax and Tax-Related Issues**

### ***Asian Tax Committee***

This committee has responsibility for keeping TEI members informed on the Asian tax aspects of operations in Asia and the Pacific Rim – including value-added taxes, customs, and tax treaty matters – and recommending TEI action. To perform this function, the committee shall:

study and develop ways and means of stimulating communication and accelerating the interchange of information between the committee and TEI chapters regarding tax administration in international operations;

survey and study tax administrative practices in countries in Asia and the Pacific Rim;

keep abreast of significant Asian and Pacific Rim tax legislation, decisions, and administrative rulings and procedures in those jurisdictions, as well as tax treaty issues;

keep abreast of significant developments with respect to the Organisation for Economic Cooperation and Development and coordinate advocacy activities with other TEI committees, as appropriate;

make recommendations regarding TEI submissions to government officials on matters of Asian and Pacific Rim taxation;

follow up (where appropriate) on the Institute's written submissions on subjects within the committee's jurisdiction;

cooperate with government officials in programs designed to improve tax administration (in consultation with other TEI committees, where appropriate); and

- as appropriate, plan and assist in the development of the technical content of programs for TEI courses, seminars, and conferences.

### ***Canadian Commodity Tax Committee***

This committee has responsibility for keeping TEI members informed on Canadian federal and provincial excise, sales, and use tax matters (including the goods and services tax and any replacement levies), and recommending TEI action in that field. To perform this function, the committee shall:

study commodity tax legislation, decisions, and administrative rulings to determine their effect upon tax administration;

promote the exchange of information between the committee and TEI chapters to assist members in the resolution of commodity tax administration problems;

make recommendations regarding TEI submissions to Canadian government officials (at either the federal or provincial level) for the improvement of commodity tax policy and administration, and for the development and fostering of communication and cooperation between TEI members and persons in all levels of government responsible for commodity tax matters; and

develop programs for the education of existing and prospective corporate tax administrators and executives (including a periodic multi-day Canadian Tax Course), and plan and develop any Canadian commodity tax technical content of TEI conference programs.

### ***Canadian Income Tax Committee***

This committee has responsibility for keeping TEI members informed on Canadian federal and provincial income tax matters and recommending TEI action in that field. To perform this function, the committee shall:

study income tax legislation, decisions, and administrative rulings to determine their effect upon tax administration;

promote the exchange of information between the committee and TEI chapters to assist members

in the resolution of Canadian income tax administration problems;

keep abreast of significant developments with respect to the Organisation for Economic Cooperation and Development and coordinate advocacy activities with other TEI committees, as appropriate;

make recommendations regarding TEI submissions to Canadian government officials (at either the federal or provincial level) for the improvement of income tax policy and administration, and for the development and fostering of communication and cooperation between TEI members and persons in all levels of government responsible for income tax matters; and

develop programs for the education of existing and prospective corporate tax administrators and executives (including a periodic multi-day Canadian Tax Course), and plan and develop the Canadian income tax technical content of TEI conference programs.

### ***Corporate Tax Management Committee***

This committee shall:

study, promote awareness, and seek continuous improvement of the corporate tax management function (including technology-related procedures and applications) by providing workshops, seminars, and conference sessions within TEI;

ensure that the results of studies or other pertinent information related to the function of corporate tax management are communicated through liaisons with chapters and their members as well as through regular TEI publications;

assist in developing studies, ideas, and guidelines related to the scope of the tax executive's function and the structure or framework through which the tax executive maximizes tax department value and efficiencies throughout the corporation;

in concert with other Institute committees, develop specific programs geared to improving the professional competence and stature of tax executives according to the Mission, Principle and Purposes, and Standards of Conduct of TEI; and

study and make recommendations to the Executive Committee and the Board of Directors regarding special projects or initiatives to assess the related effect of corporate tax law on tax administration.

### ***European Direct Tax Committee***\*

This committee has responsibility for keeping TEI members informed on the direct tax aspects of European operations – including tax treaty matters – and recommending TEI action. To perform this function, the committee shall:

study and develop ways and means of stimulating communication and accelerating the interchange of information between the committee and TEI chapters regarding tax administration in international operations;

survey and study direct tax administrative practices in European countries as well as the

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\* Approved by the Board beginning August 2007.

Directives of the European Union;

keep abreast of significant European direct tax legislation, decisions, and administrative rulings and procedures (including those of the European Union, its Member States, non-Member States, and the European Court of Justice), as well as tax treaty issues;

take the lead in setting TEI's advocacy agenda with respect to the Organisation for Economic Cooperation and Development and coordinate advocacy activities with other TEI committees, as appropriate;

make recommendations regarding TEI submissions to government officials (including the European Union) on matters of European direct taxation;

follow up (where appropriate) on the Institute's written submissions on subjects within the committee's jurisdiction;

cooperate with government officials in programs designed to improve tax administration (in consultation with other TEI committees, where appropriate); and

- as appropriate, plan and assist in the development of the technical content of programs for TEI courses, seminars, and conferences.

### ***European Indirect Tax Committee\****

This committee has responsibility for keeping TEI members informed on the indirect tax aspects of European operations – including value-added taxes and customs – and recommending TEI action. To perform this function, the committee shall:

study and develop ways and means of stimulating communication and accelerating the interchange of information between the committee and TEI chapters regarding tax administration in international operations;

survey and study indirect tax administrative practices in European countries as well as the Directives of the European Union;

keep abreast of significant European indirect tax legislation, decisions, and administrative rulings and procedures (including those of the European Union, its Member States, non-Member States, and the European Court of Justice), as well as tax treaty issues;

make recommendations regarding TEI submissions to government officials (including the European Union) on matters of European indirect taxation;

follow up (where appropriate) on the Institute's written submissions on subjects within the committee's jurisdiction;

initiate actions and cooperate with government officials in respect of programs designed to improve tax administration (in consultation with other TEI committees, where appropriate); and

- as appropriate, plan and assist in the development of the technical content of programs for TEI courses, seminars, and conferences.

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\* Approved by the Board beginning August 2007.



## ***Federal Tax Committee***

This committee has responsibility for keeping TEI members informed on U.S. federal tax matters and recommending TEI action. To perform this function, the committee shall:

review proposed federal tax legislation (including monitoring proposals to implement a national value-added tax in the United States or otherwise dramatically alter the U.S. tax system), decisions, and administrative proposals and prepare, when appropriate, position papers setting forth the view of the committee for the consideration of the Executive Committee and the Board of Directors;

promote the exchange of information between the committee and TEI chapters to assist members in the resolution of federal tax administration problems (where appropriate, in consultation with the IRS Administrative Affairs Committee);

make recommendations regarding TEI submissions to Congress, the U.S. Treasury Department, and Internal Revenue Service for the improvement of tax policy and administration and for the development and fostering of communication and cooperation between tax officials and TEI members;

follow up (where appropriate) on the Institute's written submissions on subjects within the committee's jurisdiction; and

develop programs for the education of existing and prospective corporate tax administrators and executives, and plan and develop the U.S. federal tax technical content of programs at TEI courses, seminars, and conferences.

## ***Financial Reporting Committee***\*

This committee has responsibility for keeping TEI members informed on tax-related financial reporting matters and recommending TEI action. To perform this function, the committee shall:

review guidance relating to tax-related financial reporting matters (including exposure drafts, statements, pronouncements, or interpretations issued by the Financial Accounting Standards Board or other standards-setting body) and prepare, when appropriate, position papers setting forth the view of the committee for the consideration of the Executive Committee and the Board of Directors;

promote the exchange of information between the committee and TEI chapters to assist members in the resolution of tax-related financial reporting problems (where appropriate, in consultation with other TEI committees);

make recommendations regarding TEI submissions to Congress, Securities and Exchange Commission, Public Company Accounting Oversight Board, Financial Accounting Standards Board, International Accounting Standards Board, or other standards-setting body for the improvement of tax-related financial reporting policy and administration and for the development and fostering of communication and cooperation between standards-setting

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\* Approved by the Board beginning August 2007.

officials and TEI members;

follow up (where appropriate) on the Institute's written submissions on subjects within the committee's jurisdiction; and

develop programs for the education of existing and prospective corporate tax administrators and executives, and, where appropriate, plan and develop the tax-related financial reporting technical content of programs at TEI courses, seminars, and conferences.

### ***International Tax Committee***

This committee has responsibility for keeping TEI members informed on the U.S. tax aspects of international operations including customs and tax treaty matters – as well as matters of special concern to non-U.S. owned multinational corporate groups and corporations operating in Puerto Rico and U.S. possessions – and recommending TEI action. To perform this function, the committee shall:

study and develop ways and means of stimulating communication and accelerating the interchange of information between the committee and TEI chapters regarding tax administration in international operations;

survey and study U.S. tax administrative practices as they relate to international operations;

keep abreast of significant U.S. tax legislation decisions and administrative rulings and procedures bearing on international operations and tax treaty legislation and decisions;

keep abreast of significant developments with respect to the Organisation for Economic Cooperation and Development and coordinate advocacy activities with other TEI committees, as appropriate;

make recommendations regarding TEI submissions to government officials on matters of U.S. international taxation;

follow up (where appropriate) on the Institute's written submissions on subjects within the committee's jurisdiction;

cooperate with government officials in programs designed to improve international tax administration (where appropriate, in consultation with the IRS Administrative Affairs Committee); and

plan and develop the international taxation technical content of programs for TEI courses, seminars, and conferences.

### ***IRS Administrative Affairs Committee***

This committee has responsibility over issues concerning how the U.S. tax system operates, rather than on specific substantive provisions of the tax law, including areas of procedural concerns, such as coordination of industry groups within the IRS's Large and Mid-Size Business (LMSB) Division; the examination and appeals processes; the development of tax forms, schedules, and instructions; the structure and administration of penalties; the regulatory guidance process; service center issues; and IRS personnel selection and training. To perform this function, the committee shall:

review proposed federal tax legislation, decisions, and administrative proposals, and prepare

(when appropriate) position papers setting forth the views of the committee for consideration by the Executive Committee and the Board of Directors;

follow up (where appropriate) on the Institute's written submissions on subjects within the committee's jurisdiction;

coordinate its activities with other TEI technical committees, where appropriate;

promote the exchange of information between the committee and TEI chapters to assist members in the resolution of federal tax administration issues;

attend liaison meetings with government officials to discuss federal matters in an attempt to improve the administration of the federal tax system (most particularly, with LMSB); and

develop programs for the education of tax executives and their staffs, and plan and develop the technical content of programs for TEI seminars and conferences, including coordinating the involvement of IRS industry representatives at TEI conferences.

### **State and Local Tax Committee**

This committee has responsibility for keeping TEI members informed on state and local tax matters and recommending TEI action. To perform this function, the committee shall:

study and recommend ways of stimulating communication between the committee and chapters regarding state and local tax administrative and legislative problems and possible solutions;

study state and local tax legislation, decisions, administrative rulings, and procedures to determine their effect upon tax administration, and make recommendations for improvements in such legislation, decisions, rulings, and procedures;

study federal legislative proposals on state tax issues to determine their effect on state tax administration, and make recommendations for improvements;

review judicial decisions relating to state tax issues (especially those subject to review by the Supreme Court of the United States) and make recommendations on whether TEI should file briefs *amicus curiae* in cases of broad application;

encourage local chapters to initiate, under the direction of the committee, cooperative efforts with the appropriate authorities responsible for the administration of state and local taxes in studies and projects, such as the formation of advisory or liaison committees, designed to improve tax administration; and

plan and develop the state and local taxation technical content of programs for TEI courses, seminars, and conferences.

## **Committees on TEI Organization**

### ***Advisory Committee to the President (Committee of Past Presidents eligible for membership)***

As directed by the President, this committee handles external affairs concerning the Institute that have not been assigned to another committee.

### ***Awards Committee***

This committee shall:

- review the guidelines in awarding Distinguished Service Awards, Honorary Memberships, President's Awards, Committee or Chapter Meritorious Service Awards, or other honorary recognitions by TEI and recommend changes where required; and
- review the qualifications of proposed award recipients when nominations are referred to the committee.

The committee may *not* initiate action to nominate persons for awards of any kind.

The principles and guidelines for TEI's awards as approved by the Board (including who may make nominations) are found in this *Manual*.

### ***Communications Committee***

This committee shall develop TEI policies with respect to the use of communications media. It shall advise, assist, and consult with the Executive Director, or his or her designee, and shall make recommendations to the Board and to the President with respect to the form, style, content, editorial policy, and contracts for advertising, printing, or other business matters relating to TEI publications (both print and electronic). The committee shall also advise, assist, and consult with the Executive Director concerning the Institute's policies on the media.

The chair and the other members of the committee shall serve on the Editorial Review Board of *The Tax Executive* and shall assist the editor in the implementation of editorial policies established by the Board of Directors. The chairs of the following committees shall also serve on the Editorial Review Board: Asian Tax, Canadian Commodity Tax, Canadian Income Tax, Corporate Tax Management, European Direct Tax, European Indirect Tax, Federal Tax, Financial Reporting, International Tax, IRS Administrative Affairs, and State & Local Tax.

### ***Continuing Education Committee***

*(Members include chairs of Institute's committees on tax and tax-related issues)*

This committee shall:

- develop an ongoing calendar of TEI and TEI Education Fund educational programs, as well as the subject matter and faculty for the Institute's tax courses and seminars;
- coordinate selection of the speakers, subject matters, and time slots for the technical sessions at the Annual and Midyear Conferences; and

- establish Institute policies and procedures relating to the organization, promotion, and administration of TEI's (and TEI Education Fund's) educational programs.

### **Internal Affairs Committee**

*(Members appointed by the Institute President)*

This committee (normally composed of the immediate past President and Senior Vice President) has responsibility for overseeing the internal affairs of the Institute, including policies relating to the operation of TEI-Washington and other duties assigned to it by the President (including matters relating to staff compensation).

### **Membership Committee**

*(Members appointed by the Board of Directors)*

This committee shall:

- act upon all membership applications, including applications for reinstatement in accordance with the standards established in the By-Laws and with guidelines approved by the Board (see separate section in this *Manual* for membership qualifications);
- act upon all applications for associate membership as provided in the By-Laws;
- develop and make recommendations to the Board on issues arising with respect to membership questions, including the status of members, qualifications for membership, and affiliation with local chapters; and
- study and develop means of expanding the membership and assist the chapters in carrying out such expansion programs as the Board deems advisable.

### **Nominating Committee**

*(Members appointed by the Board of Directors)*

The structure and composition of this committee are set forth in Article V of the By-Laws. The committee shall make nominations for officers of the Institute, which nominations are to be decided upon by the majority of the entire committee and reported to the Secretary of the Institute by *January 31* of each year. In recent years, the committee has met during the Annual Conference.

The Nominating Committee has responsibility for assessing the qualifications of all candidates for Institute offices (including Regional Vice Presidents) and for ensuring that all candidates have been active in the Institute at the chapter level. The Nominating Committee procedures are set forth in the *Manual*.

## EXHIBIT B

### Meetings and Conferences

#### Annual Meeting of Members

The By-Laws provide that the Annual Meeting of Members shall be called within a period of 45 days subsequent to July 1. At that meeting, the Board of Directors is obliged to present various reports as provided for in Article III of the By-Laws.

Members, either in person or by proxy, may bring up any proper business for consideration at the Annual Meeting of Members. Amendments to the By-Laws, however, must be proposed and acted upon in accordance with the procedure provided for in Article X of the By-Laws.

#### Conference Administration

##### *General*

The primary purpose of TEI conferences is to bring together professional tax executives to:

- increase technical knowledge;
- foster and promote greater efficiency in corporate tax management;
- review and exchange ideas; and
- become better acquainted.

Registration at TEI conferences is limited to members and their guests who are officers or employees of any member's organization, and other tax executives who are sponsored by a TEI member. Others are permitted to attend and participate upon invitation of the Institute President.

##### *Responsibilities*

The Board of Directors shall have final authority and approval for all conference functions and operations. This authority has generally been delegated to the President, Executive Committee, Continuing Education Committee, and Institute staff.

Pursuant to the Board's general delegation of authority, the Continuing Education Committee in coordination with the Executive Director selects the proposed technical program; the federal, state, and provincial tax administrators, government officials, speakers, and guests to be invited; the preliminary and final budgets; and the overall program including registration fees.

The Continuing Education Committee is responsible for inviting all persons to participate, either as speakers or panelists, and no person invited as a guest by a local chapter will be permitted to participate unless authorized by this committee. The committee will contact speakers or panelists and all invitations to participate will be issued formally by the Institute President or the Executive Director. Generally, the

chairs of the Institute's standing committees (who serve on the Continuing Education Committee) are granted discretion to set the technical content of the sessions over which they preside.

TEI-Washington (under the direction of the Executive Director and the Director of Conference Planning) will:

- perform necessary staff and administrative work;
- survey proposed or prospective conference sites;
- contact local convention and visitors bureaus, hotels and other local organizations to ascertain all types of facilities (social, sports, etc.) available;
- advise the Board of Directors of the results and recommendations of the surveys;
- check dates for any possible conflict with meetings of other organizations and make periodic follow-up;
- recommend, if desired, a host chapter and chapter coordinator and collaborate with representatives of the local chapter on social activities related to the conference;
- maintain necessary liaison with hotel and conference vendors;
- act as coordinator on all administrative services; and
- perform all functions necessary to ensure the successful administration of the conference.

A local chapter, when designated, shall act as conference host and, in collaboration with the Executive Director and Director of Conference Planning, shall arrange and coordinate expressly assigned social activities.

Conferences covered by this procedure are the Annual and the Midyear.

## **Expense Reimbursement and Honoraria Policy**

### ***Practitioners***

TEI has a policy of not reimbursing private practitioners (such as CPAs and lawyers) for expenses incurred as a result of their participation in Institute-sponsored conferences, seminars, or courses. No honoraria shall be authorized or paid these participants.

### ***College Professors***

College professors can be reimbursed for expenses incurred as a result of their participation in Institute-sponsored courses, conferences, seminars, etc. If necessary, an honorarium will be paid, but only upon prior approval by the Institute President, Senior Vice President, or Executive Director.

### **Government Employees**

*(Includes governments of the United States, Canada, states, provinces, and other jurisdictions)*

Government employees may be reimbursed for expenses incurred as a result of their participation at Institute conferences, seminars, courses, or other meetings. With the exception of elected officials, no

honoraria shall be authorized or paid these participants. Under current government regulations, employees of the Internal Revenue Service and the U.S. Department of the Treasury may not accept reimbursement from other than a section 501(c)(3) organization. TEI is *not* such an organization, but rather is a section 501(c)(6) organization. In this regard, please refer to the discussion below of TEI Education Fund.

### ***Elected Officials***

Elected or appointed government officials may be reimbursed for expenses incurred as a result of their participation in Institute conferences, seminars, courses, and other meetings. In appropriate circumstances, honoraria will be paid to these officials, but any such payments (either directly or through designated charitable organizations) must be approved in advance by the Institute's President, Senior Vice President, or Executive Director.

### ***TEI Members***

Members may be reimbursed for expenses incurred as a result of participation as a speaker at TEI tax courses and seminars. Members will ordinarily *not* be reimbursed for expenses in connection with their participation *as a panelist* at a seminar or course or at other Institute events, though their registration fees (other than at the Annual and Midyear Conferences) may be waived by the Executive Director. Members who are speakers at the Annual and Midyear Conferences and do not attend other conference sessions need not pay the registration fee.

### ***Other Reimbursement Policies***

The expenses for which reimbursement can be made are the ordinary and necessary expenses incurred for transportation, lodging, and meals.

Acceptance of reimbursement is optional with the person.

This reimbursement policy does not generally authorize payment of transportation expenses of spouses attending with an individual who is a speaker, panelist, or faculty member. Social registration fees may be waived for such spouses. Upon the approval of the Institute President, expenses incurred as a result of the spouse of a government official attending a TEI function may be reimbursed.

The foregoing reimbursement policies do not formally bind the Institute's chapters and regions, though they are generally encouraged to adopt consistent rules and procedures.

### ***Registration Fees at Tax Courses and Seminars***

Members who participate as faculty members at TEI tax courses or who make a presentation at a TEI seminar need not pay the registration fee.

## **Annual Conference**

An Annual Conference is held in October or November at a location approved by the Board of Directors. The Annual Conference constitutes a fully developed and well-balanced program on taxation. The conference is customarily addressed by speakers of renown in the tax field, including federal, provincial, state, and local tax administrators and legislators.

The Annual Conference is the principal meeting of the year. In addition to the benefits to be derived



from the formal program, this conference affords an opportunity for members to exchange technical information and to meet top officials from the U.S. Treasury Department, Internal Revenue Service, Canadian Department of Finance, and Canada Revenue Agency, as well as provincial, state, and other governmental tax administrators. The work of TEI is also carried on at the Annual Conference through meetings of the Board of Directors, committees, and others. The social program affords an opportunity for meeting and interacting with friends and associates. This conference should be considered a must by officers, members of the Board, and chairs and members of Institute committees.

## **Midyear Conference**

Like the Annual Conference, the Midyear Conference offers a full array of technical sessions featuring government officials, private practitioners, and seasoned tax executives. It is usually held in March or April. Topics and speakers are selected to maximize the benefit of being in Washington, D.C., and the social activities are also planned to provide TEI's members with an opportunity to interact with members of Congress, their staffs, and representatives of the Treasury Department and Internal Revenue Service.

## **Courses and Seminars**

Courses, seminars, and other meetings sponsored by TEI are administered in the same manner as conferences. Registration is generally limited to members of TEI, employees of any member's organization and other tax executives who are sponsored by a TEI member. On occasion (*e.g.*, when a program is cosponsored by another organization), registration will be opened to all interested parties.

Currently, the Continuing Education Committee is involved in planning several week-long courses: Federal Tax Course-Level I, Federal Tax Course-Level II, State and Local Tax Course, International Tax Course, Advanced International Tax Course, and Canadian Tax Course. These courses are held annually, semi-annually, or less frequently. The Continuing Education Committee is responsible for developing the faculty and subject matter for these courses, though responsibility for the programs is generally delegated to the chairs of the relevant standing committees.

In connection with Institute-planned courses, please see the discussion below of TEI Education Fund.

The Continuing Education Committee is also responsible for planning the Institute's two- or three-day seminars on a range of tax and tax-related topics. In recent years, the Institute has sponsored four or five seminars annually.

## **Telephone Seminars/Web Conferences**

In addition to attending the face-to-face educational programs sponsored by the Institute, TEI members may participate in telephone seminars or web conferences that the Institute arranges throughout the year. These programs, which are devoted to recent developments (such as a new set of regulations or the implications of a recent court case), can be arranged more expeditiously than on-site programs, and therefore permit the Institute to provide members with timely information. Members may participate in the programs for a modest fee, which usually includes access to the call (for them and other members of their staff who participate from the same location) and an outline. Notices about telephone seminars or web conferences are sent by email to all members and posted on the Institute's website. Registrations are generally handled via the Institute's website.

## **Sale of Program Materials**

Program materials are generally available to TEI members for a fee after the education program has

been held. For the 2007-2008 fiscal year, the charges for the materials are \$350 for conference materials, \$450 for seminar materials, and \$550 for course materials.

## TEI Education Fund

TEI Education Fund was organized as a non-stock corporation under Virginia state law with the purpose—

to promote better understanding and administration of the federal, state, and local tax laws of the United States and the federal and provincial tax laws of Canada through discussion groups, forums, panels, lectures, publications, and other means . . . .

TEI Education Fund is a not-for-profit organization under section 501(c)(3) of the Internal Revenue Code. The Fund's employer identification number is 54-1402262 and its exemption letter from the Internal Revenue Service is reprinted in the *Manual*.

The Fund's members consist of the members of the Executive Committee of Tax Executives Institute; the Fund's Board of Directors comprises all of the Fund's members and the Institute's Executive Director. The Institute's senior officers (President, Senior Vice President, Secretary, and Treasurer) hold the same offices with TEI Education Fund (with the Senior Vice President of the Institute serving as the Fund's Vice President), and the Institute's Executive Director serves in the same capacity with the Fund.

The activities of TEI Education Fund include sponsoring the week-long tax courses: Canadian Tax, Federal Tax Course-Level I, Federal Tax Course-Level II, State and Local Tax Course, International Tax Course, and Advanced International Tax Course. Before the establishment of the Fund, these tax courses were sponsored by Tax Executives Institute.

TEI Education Fund has no paid staff. Consequently, the Fund has contracted with the Institute to administer the tax courses (as well as for other services). In addition, as a section 501(c)(3) organization, TEI Education Fund will consider requests for reimbursement in respect of government and academic speakers not only at Fund-sponsored education programs but also at conferences, courses, and seminars sponsored by TEI (including those at the chapter and regional level). Under current procedures of the Fund, reimbursement requests are granted in respect of government representatives and speakers affiliated with colleges, universities, or other section 501(c)(3) organizations; the Fund will also consider requests for reimbursement of expenses incurred by TEI members or staff to participate in educational programs sponsored by the Internal Revenue Service, other government agencies, colleges or universities, or other section 501(c)(3) organizations. Occasionally, the Fund will be asked to approve grants for special educational programs or other projects; these requests will be considered on a case-by-case basis.\*

Throughout this *Manual*, references are made to Institute courses and other programs. Where the courses are *sponsored* by TEI Education Fund (and merely *administered* by the Institute), those references should be so construed.

## Regional Conferences

The following guidelines for regional conferences have been adopted by the Board of Directors:

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\* The procedure for requesting reimbursement of expenses by the chapters is reprinted in the *Manual*.

## **Organization**

- Regional conferences may be held if deemed desirable by the members of the region. When held, they are the responsibility of the region. *Thus, any contractual arrangements made in respect of the conference (e.g., for meeting, meals and entertainment, or hotel space) will be the financial responsibility of the region and the chapters it encompasses.* No contract involving the expenditure of \$5,000 or more should be signed before the contract is reviewed by TEI's Executive Director or his or her designee. Upon request, the Director of Conference Planning will review the proposed contract and offer suggestions to the Vice President.
- The Vice President of the region should appoint a conference chair, preferably from the designated "host" chapter.
- The conference chair should appoint a committee composed of at least one member from each chapter in the region and designate one person, preferably from the host chapter or his or her own chapter, to be responsible for organizing all hotel arrangements. The Vice President should be a member of the planning committee and should ensure proper planning and administration of the regional conference.
- Attendance should not necessarily be limited to the region; whenever possible, TEI members from other regions should be invited. A member of the planning committee should be assigned responsibility for publicity.
- Each region is free to extend invitations to the federal and state tax authorities from within its own region; *however, no invitations shall generally be extended to senior Internal Revenue Service or Treasury Department representatives in Washington without coordinating the request through the Institute's Executive Director.*
- TEI-Washington, though not responsible for running a regional conference, will, upon request, advise and assist in mailing, producing programs, preparing name badges, and issuing invitations to participants.
- Wide publicity should be given to regional conferences, with written reports and photographs submitted to TEI-Washington for publication in *The Tax Executive*. (Promotional information about the conferences will be posted on TEI's website.)
- Practical guidelines for planning the conference are reprinted in the *Manual*.

## **Financing**

- Regional conferences should generally be budgeted on a break-even basis.
- A bank account for the conference should be opened by the Regional Vice President who will have joint signing authority with the conference chair. Alternatively, funds may be managed through the host chapter's bank account, subject to full accounting and internal controls.
- When an employer identification (EI) number is required for such bank account, it will be the EI number applicable to TEI, which is 52-0239291.
- Reimbursement of out-of-pocket expenses of conference speakers should generally be in accordance with established TEI guidelines.

- If the income for a conference exceeds expenses, the surplus funds should be retained in the region's bank account, with control being turned over to the succeeding Regional Vice President for use in connection with the next regional conference. These funds should be taken into consideration in budgeting the next conference.
- Regions and their respective chapters are financially responsible for the regional conference. If a conference incurs a loss and there is no fund available to offset it within the region, either the deficit should be allocated among the chapters of the region or an assessment should be made on those members who attended.
- If the Institute's President, Executive Director, or another representative of the international organization is invited to attend or participate in a regional conference, the registration fee for such conference should ordinarily be waived.

## **Relationship with Other Tax Organizations**

The Institute's President is often invited by other organizations, especially the American Bar Association and American Institute of Certified Public Accountants, to attend their meetings. In addition, at the President's direction, other members of the Institute's leadership, its Executive Director, and members of the professional tax staff may attend meetings of professional organizations, such as the ABA Section of Taxation, AICPA Tax Division, National Tax Association, U.S. and Canadian Tax Foundations, Institute of Professionals in Taxation, Council on State Taxation, Financial Executives International, National Foreign Trade Council, and Federal Bar Association.

Although the Institute generally does not engage in joint action with other organizations, TEI frequently coordinates its activities with like-minded organizations. In addition, on an exception basis, TEI has undertaken joint initiatives. For example, for the past 10 years TEI has joined with the ABA Section of Taxation and the AICPA Tax Division in advocating tax simplification.

For a discussion of the Institute's relationship with the Federation of Tax Administrators, see "Relationship with Government Departments" (below).

## **Relationship with Government Departments**

### ***Liaison Meetings***

The Institute's leadership meets with senior representatives of the Internal Revenue Service (and the IRS's Large and Mid-Size Business Division), the Office of the Assistant Secretary for Tax Policy of the U.S. Department of the Treasury, and the staff of the Joint Committee on Taxation to exchange views on tax administrative and current legislative issues. Less formal meetings are held with the staff of the Senate Committee on Finance and the House Committee on Ways and Means. In addition, annual liaison meetings are held with representatives of the Canadian Department of Finance and Canada Revenue Agency. (Separate meetings are usually held with Finance and CRA on income and commodity (GST) tax matters). The Institute also periodically meets with the Canadian Department of Justice. The Institute's standing committees may also hold meetings with Treasury, IRS, or congressional representatives (or their Canadian counterparts) on issues within their jurisdiction. Finally, TEI's non-North American chapters hold liaison meetings with the taxing authorities within their jurisdictions including transnational organizations and bodies such as the European Commission or Organisation for Economic Cooperation and Development. Results of these meetings are generally reported in *The Tax Executive* and on TEI's website.

In addition, TEI representatives frequently participate in liaison meetings, forums, and hearings sponsored by the Federation of Tax Administrators, whose members are the commissioners of revenue of the states and certain provinces, and the Multistate Tax Commission. Submissions and agendas prepared in connection with such meetings shall be treated as submissions to a governmental body.

### **Conferences**

High-level IRS and Treasury personnel often speak at Midyear and Annual Conferences, as well as at TEI seminars. In addition, representatives of the Institute are regularly invited to participate in training programs sponsored by the Internal Revenue Service for its own employees; if a request for such participation is directed to a chapter, the chapter president should coordinate the Institute's participation through TEI-Washington.

### **Coordination by TEI-Washington**

Any chapter desiring representatives from the IRS National Office (or LMSB Headquarters) or Treasury to speak at chapter functions should coordinate their invitations through the Executive Director.

### **Representations to Government Officials**

The Institute by request or invitation makes its views known on matters of concern in tax administration and legislation to the U.S. and Canadian legislatures and tax authorities, the European Commission and the Organisation for Economic Cooperation and Development, and recently to the Singapore Ministry of Finance and Inland Revenue Authority. The position taken by the Institute must be approved by a two-thirds affirmative vote of the Institute's Executive Committee. TEI's policy on legislative and technical activities is set forth in this *Manual*.

### **Relationship with the Press**

Reporters are generally permitted to attend sessions at the Institute's Midyear and Annual Conferences in which government representatives participate. (This policy was adopted in part because of an IRS and Treasury Department disinclination to participate in "closed" sessions.) This media policy, however, does not extend to other conference sessions. Where a government official delivers a luncheon address to a TEI seminar, the Institute will generally permit reporters to cover the session.

The chapters are free to open their sessions to the media, but in considering the issue, due consideration should be given to whether the presence of reporters may adversely affect the conduct of the program. In addition, if a chapter chooses to open its meetings to the media, the affected speakers should be notified of that decision at the time the invitation to participate is extended.

TEI members are encouraged to speak to the press with respect to matters within their professional expertise on their own behalf and, where permitted, on behalf of their companies. Members should refrain, however, from speaking, or giving the appearance of speaking, on behalf of the Institute without obtaining prior authorization from TEI's President or TEI-Washington.

## EXHIBIT C

### Conference Preparation Deadlines

*(Technical content only)*

#### *Within One Month of Previous Conference*

- Confirm session schedule with Continuing Education Committee chair

#### *Four to Six Months Out*

- Confirm session schedule with committee chairs
- Receive speaker names and topics from committee chairs (confirm names, addresses, emails, and telephone numbers)

#### *Three Months Out*

- Prepare program for publication; send to printer

#### *Eight to Twelve Weeks Out*

- Send letters to speakers (with copies to committee chairs):
  - Welcome to program, and confirm session title, other speakers, date, and time
  - State number of expected program registrants
  - State deadline for submission of handouts
  - Request audio-visual and other special requirements
  - Caution speakers about high member expectations for quality handouts and audio-visual aids
  - Include hotel reservation and complimentary registration form
  - State reimbursement policy
- Preliminary program
- Mail preliminary program to membership
- Reminder of deadlines

#### *Two Weeks to One Month Out*

- Follow-up with speakers (concerning deadlines)
- Send agendas and reports to Board and Executive Committee members and committee chairs
- Invitations to Presidential receptions and banquet(s) sent to speakers and other special guests
- Send handout materials to printer for copying, assembly, and shipping

#### *One Month After Conference*

- Send thank you letters
- Compile evaluations and distribute to committee chairs
- Issue CPE/CLE certificates to registrants

## EXHIBIT D

### Tax Course Deadlines

#### *Three to Four Months Out*

- Receive program from committee chair (confirm names, addresses, and telephone numbers)
- Prepare program for publication; send to printer

#### *Ten to Twelve Weeks Out*

- Send letters to speakers (with copies to committee chairs)
  - Welcome to course, and confirm session title, other speakers, date, and time
  - State deadline for handout material
  - Request audio-visual and other special equipment
  - Caution speakers about high member expectations for quality handouts and audio-visual aids
  - State reimbursement policy
- Mail program to membership
- Mail program to speakers (and confirm deadlines)

#### *One Month Out*

- Follow-up with speakers (concerning deadlines)
- Send acceptance and rejection letters to students
- Send student list to university/conference center
- Send handout materials to printer for copying, assembly, and shipping

#### *One Month After Course*

- Send thank you letters and favors
- Compile evaluations and distribute to committee chair
- Issue CPE/CLE certificates to seminar registrants

## EXHIBIT E

### Seminar Preparation Deadlines

#### *Three to Four Months Out*

- Receive program from committee chair (confirm names, addresses, and telephone numbers)
- Prepare program for publication; send to printer

#### **Ten to Twelve Weeks Out**

- Send letters to speakers (with copies to committee chairs)
  - Welcome to seminar, and confirm session title, other speakers, date, and time
  - State deadline for handout material
  - Request audio-visual and other special equipment
  - Caution speakers about high member expectations for quality handouts and audio-visual aids
  - State reimbursement policy
- Mail program to membership
- Mail program to speakers (and confirm deadlines)

#### **One Month Out**

- Follow-up with speakers (concerning deadlines)
- Send attendance list to hotel
- Send handout materials to printer for copying, assembly, and shipping

#### *One Month After Seminar*

- Send thank you letters and favors
- Compile evaluations and distribute to committee chair
- Issue CPE/CLE certificates to seminar registrants



## EXHIBIT F

### Sample Letter to Speakers

Thank you for agreeing to participate in a Tax Executives Institute continuing education program.

For the benefit of registrants, TEI's Continuing Education Committee strongly recommends the speakers prepare outlines of the subjects that they will discuss. TEI will reproduce your outline and other appropriate materials for distribution at the program, provided we receive it by the deadline stated below.

Please send the following materials to TEI by [deadline]:

1. Outline and any other materials for reproduction. Because of the logistical problems posed, we shall not be able to reproduce or hand out materials during the seminar. Therefore, it is important that the deadline for submission of handout materials be met. TEI will be unable to absorb any expense incurred in reproducing materials not received by this deadline; they will be the responsibility of the individual seminar speaker.
2. Short biography.
3. Audio-Visual requirement form (enclosed).
4. Signed *Warranty and Permission to Reproduce* form (enclosed).

Participants find visual aids, such as electronic presentation programs, and overhead transparencies, to be very helpful, **but poor visual aids are worse than no visual aids**. In the past, otherwise excellent presentations have been criticized because the speakers used unreadable visual aids.

A room reservation will be made for you at the hotel for arrival on \_\_\_\_\_ and departure on \_\_\_\_\_. Please let us know if you do not require a room reservation, or if we should adjust these dates.

**[For non-member speakers:** Speakers are responsible for their air, ground, and other expenses. **For those at courses, add:** If you are staying at the facility where the course is held, your meals and lodging will be placed directly onto TEI's account.]

We are certainly pleased that you will be joining us. If you should have any questions about the program or our procedures, please do not hesitate to contact TEI by phone at 202.638.5601, or via email at [meetinginfo@tei.org](mailto:meetinginfo@tei.org).

## EXHIBIT G

### Speaker Guidelines

Thank you for agreeing to participate in a Tax Executives Institute continuing education program. Each year TEI provides multiple opportunities for tax executives to gather and discuss the issues that affect their departments and companies. The Institute appreciates your willingness to share your knowledge and insights with our members. Below are some helpful hints about your participation.

#### *Speaker Confirmation Letter*

Several weeks before the program, you will receive a confirmation letter via regular mail from TEI. This letter will highlight: (i) the deadline for submitting handout materials and (ii) your arrival and departure time. We ask that you let TEI's Continuing Education department know immediately if the reservation dates need to be changed or if your materials will be late.

#### *Materials Due Date*

The due date for materials will be set forth in your speaker confirmation letter. It is critical that this due date be adhered to so that materials can be sent to be duplicated for participants in a timely, cost-efficient manner. If you cannot meet the deadline, please contact TEI's Continuing Education department as soon as possible to make other arrangements for their materials. (Depending on the timing, the duplication of materials will be at your expense.)

#### *Hotel Reservations for Seminars and Courses*

TEI will make a guaranteed hotel reservation for you based on the time and date of your presentation. These dates are specified in the speaker confirmation letter. We ask that you contact the Continuing Education department immediately if the reservations need to be changed or cancelled. (Because the Institute guarantees late arrival for speakers, it may incur "no-show" fees for speakers who do not arrive at the scheduled time.)

#### *Hotel Reservations for TEI's Annual and Midyear Conference (Practitioners, Academics, and Government Officials)*

If you will be speaking at an Annual and Midyear Conference, we ask that you return a completed "Speaker Registration and Hotel Reservation Form" (included with your speaker confirmation) as soon as possible. TEI will make hotel reservations for speaker practitioners, a credit card number must be provided by the speaker to guarantee the reservation. This form should specify your arrival and departure dates. Please note that reservations will not be extended beyond the two day maximum without prior approval.

### ***Hotel Reservations for TEI's Annual and Midyear Conference (Speaker Members )***

TEI does not make hotel reservations for TEI members who are presenting at conferences. Members should make their reservations in the normal fashion, as conference registrants. (Note: Unless you register for the full conference, you ordinarily will not be able to attend any session other than your own, plus the luncheon on the same day.)

### ***Expenses Incurred by Government or Academic Speakers***

If you are a government employee or affiliated with an educational institution, TEI will reimburse your expenses through TEI's 501(c)(3) affiliate, the TEI Education Fund. Expenses that may be reimbursed are: coach airfare, hotel, ground transportation, and incidental expenses. All expenses must be submitted to TEI by the deadline specified in the speaker confirmation letter, generally four weeks after the program.

### ***Attendance Policy at Sessions***

Attendance at all sessions is limited to program registrants; we regret that our speakers may not attend sessions other than the ones in which they are participating. In addition, speakers may not invite colleagues to serve as co-presenters without advance approval from TEI. We appreciate your cooperation in adhering to these policies.

### ***Audio-Visual Support Request Form***

This form provides you the opportunity to select what kind of Audio-Visual support is required for your presentation. Please return the completed form to the Continuing Education Department by the stated deadline. Presentations submitted by the deadline will be loaded onto a laptop computer that will be available for your presentation.

### ***Warranty and Permission Form***

It is your responsibility to secure any necessary copyright releases in respect of your handout materials. This form not only warrants that you have done so, but also grants TEI permission to duplicate speaker materials and to provide them to program participants. Please submit the completed form to the Continuing Education Department by the stated deadline.

### ***Audio-Visual Font Guidelines***

This form provides tips about font size and formatting slide decks for programs.

### ***Evaluations***

TEI distributes evaluations for every continuing education program it conducts. The evaluations include topical, speaker, and overall program ratings. A summary of your evaluation will be sent to you upon request.

## EXHIBIT H

### **Speaker Warranty and Permission to Reproduce Materials and Record Presentation**

As a speaker at the Tax Executives Institute's \_\_\_\_\_, I warrant that the written material submitted for distribution at the program is original with me; that it contains no matter that is defamatory or otherwise unlawful, invades individual privacy, or infringes any proprietary right or any statutory copyright; and that I agree to indemnify and hold the Institute harmless against any claim to the contrary. I further warrant that if the material contains other material that requires written permission for inclusion, such permission has been obtained from the copyright owner. Finally, I warrant that, if any material contained in the material requires the payment of a fee for copying, such fee has been paid.

In connection with the Institute's educational programs, I grant the Institute the non-exclusive right to photocopy or otherwise reproduce the material (*e.g.*, in digital format on CD-ROM or TEI's Internet site) and to authorize registered program participants to copy or reproduce the material for internal, noncompensatory purposes, as long as any material so copied or reproduced identifies me as the author of the material and, further, that this grant in no way restricts my right to photocopy or reproduce the material myself, to incorporate it into any other material, or to otherwise use the material consistent with my rights as its author.

I also grant permission to TEI to record, duplicate, distribute, or display my presentation at the program in any and all media existing or hereafter developed (including video-streaming on the Internet). This permission is a non-exclusive right to reproduce, distribute and sell any written or visual material submitted in connection with my presentation, in whole or part, in any media, as part of a course book, or any other publication published by TEI.

## EXHIBIT I

### Institute Policy on Legislative and Technical Activities

Since 1972, TEI has taken positions on issues of tax administration and policy in accordance with policies and procedures adopted by the Institute's Board of Directors. Over the years, this policy has been modified, and in 1991 the Institute's Board approved a comprehensive restatement of the Institute's policy on legislative and technical activities. That restatement follows. (Approved, March 23, 1991.)

#### Purpose

To set forth the policy and procedures of Tax Executives Institute relating to the character, scope, and nature of representations to all levels of government that may be made in the Institute's name.

Following a preamble and prefatory comments on the scope of representations to be made, the statement sets forth general guidelines relating to TEI's legislative and technical activities. Next, the statement discusses the procedures to be followed in adopting and advocating particular positions. These procedures are divided into four parts:

- General Procedures for Executive Committee Action
- Special Rules Relating to State and Local Activities
- Special Rules Relating to Canadian Local Activities
- Special Rules Relating to *Amicus* Briefs

#### Preamble

Tax Executives Institute, Inc. may take and disseminate positions on issues affecting taxpayers in the United States, Canada, or other countries (including any political subdivision). Such issues may relate to direct or indirect taxation of business entities, their affiliates, or employees, or to the administrative burden imposed by tax rules on the business community.

TEI will focus primarily on issues of a tax policy or tax administrative nature, but may also address other issues of concern to a broad segment of the Institute's membership. Such latter issues, however, must be non-divisive and essentially non-controversial within TEI's membership, and generally must not be taxpayer or industry specific. Issues addressed by the Institute must be tax-oriented rather than relating to broad public policy concerns (even if reflected in tax law changes), though TEI may comment upon the utilization of the tax law to achieve non-revenue goals.

TEI will not make political statements or act as a political or partisan organization. Hence, the Institute will adopt a non-partisan approach to substantive tax issues. TEI may undertake to develop, support, and otherwise promote the enactment, amendment, or defeat of legislation to advance the Institute's goals. The same principle of political non-partisanship shall govern the Institute's technical activities outside the legislative realm (*i.e.*, before administrative agencies or the courts). TEI will undertake to respond to requests from any governmental official or entity for the Institute's views only if the Institute can formulate a position in accordance with its established policies and procedures.

## Scope

Representations in the Institute's name can be made to legislative bodies and executive agencies at all levels. Thus, submissions can be filed with and testimony presented to Congress, any of its members, committees, or staff; the Department of the Treasury, the Internal Revenue Service, and any other U.S. agencies; state (or local) government officials or agencies; Canadian federal or provincial (or local) government officials or agencies; or other governmental or quasi-governmental officials or agencies. In addition, in appropriate cases, the Institute may become involved in litigation as an *amicus curiae*.

## General Guidelines

TEI must vigilantly promote and rigorously safeguard the integrity and professionalism of the Institute, its members, and employers of its members.

- TEI's legislative and technical activities (including those by the Institute's chapters) will be governed by the procedures set forth in this statement. Activities not conducted in accordance with those procedures or these guidelines are expressly prohibited.
- Except as modified by the special rules set forth in respect of chapter submissions and in respect of Canadian submissions, the Executive Committee of the Institute (by a two-thirds affirmative vote) shall approve the manner and content of the representation and the person (or persons) to appear where that is required, and all written representations shall be signed by the Institute President.
- TEI members will be informed of the Institute's positions on legislative and technical matters and will be encouraged to participate in the development and advancement of those positions.
- TEI will not engage in "grass roots lobbying" within the meaning of section 162(e)(2)(B) of the Internal Revenue Code and the related Treasury Regulations.
- TEI will encourage informal interchanges with government representatives (including "brainstorming sessions") in order to facilitate the development of solutions to difficult issues. The positions espoused by TEI representatives during such interchanges must not be represented as the official position of the Institute unless those positions have been approved in accordance with the procedures set forth in this statement.
- In furtherance of the Institute's goals, TEI chapters are encouraged to meet with local officials, state legislators and agency administrators, and district and regional IRS personnel, and their counterparts in Canada. The Institute's regions are likewise encouraged to meet with regional IRS and Canada Revenue Agency personnel, as well as with state and provincial tax administrators. TEI meetings and TEI communications with IRS National Office officials, however, must be coordinated through the Institute's Executive Director.
- Although the Institute will maintain communication with similar professional or business associations (and will coordinate activities to the extent consistent with the Institute's goals), TEI will not join coalitions or execute letters or submissions as one of a group of organizations. [**Note:** Any exceptions to this rule must be approved in advance by the full Board of Directors.]

## Procedures

Requests to use Tax Executives Institute's name in a legislative or technical presentation may emanate from a standing committee, a chapter, or a special committee. Upon a vote of approval of two-thirds of its

members, the Executive Committee may determine that a particular issue deserves representation by TEI.

### **General Procedures for Executive Committee Action**

1. *Standing Committee Proposals.* It is anticipated that most proposals will be initiated by a standing committee. The Executive Committee will consider proposed submissions or testimony on legislative or technical matters only after such proposals have been reviewed by the pertinent committee chair and the Institute's professional staff.
2. *Chapter Proposals.* Presentations to state, provincial, or local government bodies on issues of concern to the Institute as a whole are to be encouraged. See "Special Rules Relating to State and Local Activities."
  - a. If the issue is local in nature, the Executive Committee will consider requests for Institute involvement by the chapter or chapters having membership resident in the governmental jurisdiction involved upon written request approved by two-thirds of the Board of Directors of a chapter within that jurisdiction.
  - b. The Executive Committee will refer such matters to a standing or special committee for advice prior to its consideration of the request.
3. *Special Committees.* It is possible that members will request representation on substantive issues requiring expertise not readily available in a standing committee or individual chapter. The Executive Committee may appoint a special committee of not fewer than 5 or more than 10 members known to be particularly competent with respect to the issue involved. Said committee will be empowered to recommend action to the Executive Committee.
4. *Testimony.* Where TEI chooses, or is called upon, to testify before a legislative body or executive agency, the Institute shall be represented by its President, or by whichever committee chair, member, or member of the professional staff that the Institute President designates. The content of the testimony remains subject to these procedures, though the President retains the discretion to determine whether testimony in support of a previously approved TEI position should be reviewed by the Executive Committee.

### **Special Rules Relating to State and Local Activities**

The following rules governing state and local tax legislative and technical activities supplement the Institute's general policies on legislative and technical activities.

1. *Overview.* One of the Institute's goals is the provision of meaningful analysis and comments on state and local tax issues to both legislative and administrative officials.
2. *Liaison Activities vs. "Lobbying."* Liaison meetings at the chapter level with legislators, departments of revenue or taxation, and other agencies should be viewed as a normal TEI activity and are encouraged. Except as specifically approved by the Institute's President, however, direct involvement by a chapter, its officers, and individual TEI members on behalf and in the name of the Institute in lobbying activity is expressly prohibited. In addition, chapters and regions are prohibited from becoming dues-paying members of other organizations (including chambers of commerce, economic development boards, and fund-raising entities).
3. *Chapter Activity on Behalf of the Institute.* Chapter technical activities are explicitly limited to issues of tax administration. Because of the possible conflict of interest between taxpayers resident in a

state and nonresident taxpayers, a chapter must not unilaterally undertake to adopt and espouse positions on the Institute's behalf in respect of matters outside the tax administration arena.

- a. *Scope.* If a matter is outside the tax administration arena, it must be submitted through the chair of the State and Local Tax Committee for ultimate action by the Institute; on such issues, the Institute may elect to act via a position paper, to request the chapter to act on the Institute's behalf, or to take another course of action (subject to the general constraints of these procedures). On matters of tax administration, the chapter must initiate a request through the chair of the State and Local Tax Committee for Institute approval prior to undertaking any action.
- b. *Decision-Making Procedure.* Proposed tax administration action by a chapter must be outlined by the chapter's State and Local Tax Committee for submission to the Institute's State and Local Tax Committee, which in turn will recommend whether or not the Institute should sanction such activity.
  - i. The activity must be approved by the Board of Directors of the affected chapter. In addition, the chapter activity should be coordinated with other chapters, if any, within the affected state.
  - ii. If approval is granted, the drafting of position papers, proposed testimony, and other materials shall be the responsibility of the chapter, working in concert with the Institute's State and Local Tax Committee and the Institute's professional staff.
  - iii. All submissions, testimony, etc., must be approved by the Institute's President before their release by the chapter president.
    - Where the proposed activity essentially complements and builds upon a position previously adopted by the Institute, the President may invoke a special procedure whereby the activity may be approved by the President, Senior Vice President, and the Executive Committee liaison to the State and Local Tax Committee (with appropriate advice and counsel from the chair of the State and Local Tax Committee).
    - The chapter president shall sign all submissions and the chapter president (or an alternate designated by the Institute's President) shall present all testimony approved under these procedures.
- c. *Court Cases.* With respect to involvement in court cases involving state and local tax issues, see "Special Rules Relating to *Amicus* Briefs."

### ***Special Rules Relating to Canadian Activities***

The following rules governing Canadian legislative and technical activities supplement the Institute's general policies on legislative and technical activities.

1. *Overview.* Among the Institute's goals is to provide meaningful analysis of and comments on Canadian (federal and provincial) tax issues to both legislative and administrative officials.
2. *Special Rules.*
  - a. *General.* Submissions to the Canadian federal government are subject to the same general



procedures and guidelines as submissions to U.S. tax officials. However, the Executive Committee generally grants the Canadian Income Tax Committee and Canadian Commodity Tax Committee broad latitude in developing the Institute's positions on such issues. The Executive Committee retains authority over, and responsibility for, such technical and legislative representations.

- b. *Submissions to Federal Government.* Submissions on Canadian tax issues are to be signed by the Institute's President, but such submissions are to be transmitted to the appropriate official or agency by means of a covering letter signed by the Institute's Vice President for Region I. In addition, in communicating with government officials, the Officer may present his or her title as "Vice President-Region I (Canadian Affairs)" or "Vice President for Canadian Affairs."
- c. *Submission on Provincial Issues.* With respect to chapter activities on provincial tax issues, the concerns and procedures set forth in "Special Rules Relating to State and Local Activities" shall apply. The chapter or region must initiate a request through the chair of the pertinent Canadian committee for Institute approval prior to undertaking any action. Where the proposed activity essentially complements and builds upon a position previously adopted by the Institute, the President may invoke a special procedure whereby the activity may be approved by the President, Senior Vice President, and the Executive Committee liaison to the pertinent Canadian committee, and the Institute's Vice President-Region I (with appropriate advice and counsel from the chair of the pertinent Canadian committee).

### ***Special Rules Relating to Amicus Briefs***

1. *Overview.* Although it is anticipated that the bulk of the Institute's technical activities will be directed to executive and legislative agencies in the United States, Canada, and the states and provinces, the Institute is committed to involvement in court cases (as an *amicus curiae*) where such involvement will further the overall interests of its members as well as the basic mission, principle, and purposes of the Institute itself. At the same time, the Institute will be judicious in allocating its resources to particular activities because the persuasive value of a particular *amicus* brief is limited compared with the value of representations made to executive or legislative agencies.
2. *Decision-Making Procedure.* The decision whether the Institute will file an *amicus* brief in a particular case will depend on several factors: the posture of the case, the nature of the legal questions involved (and what TEI could contribute to their resolution), the time constraints imposed by the court's rules, and the Institute's other priorities. These issues must be addressed in a memorandum prepared by the Institute committee advocating TEI involvement in a particular case.
3. *Burden of Persuasion.* The Executive Committee will not approve the Institute's involvement in a case as *amicus curiae* unless the Institute's brief would bring a new or unique perspective to the issue(s) before the court. TEI has no interest in simply adding its name to a stack of *amicus* filings.
4. *Preparation of Brief.* Any brief filed by the Institute will be prepared and reviewed in accordance with the Institute's general procedures. Thus, TEI will prepare its own briefs or will engage outside counsel to write them. The Institute will not lend its name to briefs prepared by others, nor will it accept funding for briefs from employers of its members or others.