



2002 Western States Association of Tax Administrators

Station 6, Box 156
1525 Sherman St
Denver, CO 80203-1714
(303) 866-3714

2002 WSATA President - John Vecchiarelli - Colorado Department of Revenue

CONFERENCE IN BRECKENRIDGE, COLORADO

Dear WSATA Registrant,

Greetings from Colorful Colorado, the host for the 50th annual Western States Association of Tax Administrators Conference. You are cordially invited to attend this 50th annual WSATA conference on September 29 through October 2, 2002. The conference is being held at the Beaver Run Resort in beautiful Breckenridge, Colorado in the middle of the magnificent Colorado Rocky Mountains. We hope that you will join us for an interesting and informative conference on the current and future trends of tax administration.

A fantastic and exciting conference agenda has been planned along with a tremendous attendee and spouse/guest entertainment program encompassing this year's WSATA meeting. "Climbing Mountains" is this year's theme and "In today's world, we face a wide range of challenges in our journey to the summit of service: constricted resources, difficulty in recruiting dedicated employees, and growing taxpayer demands. To reach the peak of these towering mountains of obligation we must use the sharpest skills and most modern equipment, education, training, communications, and increased personal development. The climb may be rough and at times difficult but the view from the top is spectacular."

Some of the general session will include such topics as the outlook of the economy and the interaction of the national tax system with state and local tax administrations. The breakout sessions will cover topics concerning fraud detection, local tax issues, technology updates, property tax and streamlined sales tax issues, customer service and disaster recovery problems, as well as abusive trusts, the federal income tax refund offset program, and issues surrounding litigation. There are also activities planned, which include a night of fantastic country western music (so bring your boots, hat, and western gear), an internationally known hypnotist, golf, and the annual President's banquet.

The dress is business casual and the weather this time of year is fantastic. The day's high gets into the upper 60's with the nighttime lows in the low 40's. The weather in Colorado has been known to change quickly, so bring a jacket or sweater for those cool Colorado evenings.

I hope to see you in Breckenridge, Colorado at the Beaver Run Resort on September 29, 2002 through October 2, 2002 for the Western States Association of Tax Administrators Conference.

Sincerely,

A handwritten signature in black ink, appearing to read 'John Vecchiarelli', with a long, sweeping flourish extending to the right.

John Vecchiarelli
President WSATA 2002



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REGISTRATION FORM

Attendee Information

Last name	First name	Preferred name on name tag
Professional title	Business telephone number	
Agency/company	Business fax number	
E-mail address		
Mailing address		
City	State	ZIP code

Guest(s) Information

Guest's last name	Guest's first name	Guest's preferred name on name tag
Guest's last name	Guest's first name	Guest's preferred name on name tag
Guest's last name	Guest's first name	Guest's preferred name on name tag

Conference Fees

Check all that apply	Fees	Number of Participants	Totals
<input type="checkbox"/> Government Attendee	\$295 each	X	=
<input type="checkbox"/> Industry Attendee	\$365 each	X	=
<input type="checkbox"/> Spouse/Guest(s)	\$95 each	X	=
<input type="checkbox"/> Golf-Attendee and/or guest(s)-see attached golf form. <small>Limited to first 80 Registrants.</small>	\$80 each	X	=

Late registration after 9/2/2002 - add additional \$35.00 processing fee

Leadville museum tour limited to the first 55 guest/spouse registrants

Total Fees →

Please send this form with your registration fee(s) and make checks payable to "WSATA 2002" no later than Sept. 2, 2002, or visit www.taxadmin.org/wsata2002/.

Send registration and payment to:

Western States Association of Tax Administrators
 Station 6, Box 156
 1525 Sherman Street
 Denver, CO 80203-1714

Shuttle buses from Resort Express in Frisco, Colorado will available for single and round-trip transportation from Denver International Airport and Beaver Run Resort in Breckenridge, Colorado. Visit the <http://www.resort-express.com> for reservations and ask for the WSATA rate of \$44 one way or \$88 round trip per person.

Hotel reservations must be made directly with the Beaver Run Resort in Breckenridge, Colorado.

PLEASE CALL 1-800-288-1282 (ASK FOR THE WSATA 2002 CONFERENCE RATES) BY SEPT. 2, 2002.

****Please see our website at www.taxadmin.org/wstata2002/ for AVIS Rental Car and Frontier Airline discounts.****

Activity Program - Please check the box for each activity in which you plan to attend, if more than one guest/spouse; write number in box:

	Sunday		Monday			Tuesday			
	Golf (\$80 fee)	Opening Reception 6:00 PM	Black Hawk Casino Trip (Spouses & Guests only) 9:30 AM <small>(Must be at least 21 years old)</small>	Breakfast	Lunch	Leadville, CO Mining Museum Tour 9:30 AM (Spouses & Guests only)	Breakfast	Lunch	President's Banquet 6:30 PM
Attendee	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Guest(s)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SHIRT SIZE: Men: small medium large Xlarge XXlarge
 Women: small medium large

For additional information or special dietary needs, contact Kay, the WSATA registrar, at kbowen@spike.dor.state.co.us or phone at 303-866-3714.



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When: Sunday, September 29, 2002
First tee time is scheduled for 10:00 AM (Tee times are limited)

Where: Breckenridge Municipal Golf Course
Breckenridge, Colorado

Cost: \$80 per person (includes transportation, green fees, and awards)

Registration

If your guest(s) will be golfing with you, please make an additional copy of the registration form to fill out for each player.

Name	
Address	
Agency/Company Address	Email Address
Telephone Number	
Golf Handicap	OR 18-Hole Average Score

If you have a preference of whom you would like to golf with, please list their name(s) and we will do our best to accommodate you:

Tee time preference: _____

For more information, call Chuck Dieter at 303-866-5535 #250

GOLF TOURNAMENT

**WSATA 2002 Conference Agenda
 Sept. 29 through Oct. 2, 2002
 Beaver Run Resort, Breckenridge, Colorado**

Sunday, September 29, 2002

- 10:00 -3:30 Golf Tournament
- 12:00 - 6:00 Registration
- 6:00 - 9:00 Opening Reception

Monday, September 30, 2002

- 7:00 - 4:30 Registration
- 7:00 - 8:30 Conference Breakfast
- 7:00 - 8:30 Executive Committee Breakfast
- 8:30 - 11:45 General Session
 - 8:30 Centennial Bag Pipe and Drum Marching Corp
 Colorado High Frontier Honor Guard - Color Presentation
 - 8:45 Invocation - Father Jude Geilenkirchen - Dillon
 - 8:50 Welcoming - WSATA President - John Vecchiarelli
 - 9:00 State Roll Call - WSATA VP Billy Hamilton
 - 9:30 Fred Fisher - Opening Remarks
 - 9:40 Dan Bucks - The National Scene
 - 10:15 Morning Break
 - 10:30 Keynote Speaker - Howard Schmidt, Vice Chair of President's Infrastructure B...
- 8:30 - 9:15 Guest Coffee Reception
- 10:00 - 4:00 Guest Program - Black Hawk Casino Trip
- 12:00 - 1:30 Luncheon
 - 12:45 - 1:30 Speaker - Surprise Speaker of National Notoriety
- 1:45 - 3:00 Breakout Sessions

Human Resource Planning - Progression and Regression Planning

Retaining or replacing employees and otherwise dealing with the "Brain Drain Aging" is a natural process that cannot be halted, but every day experienced employees with a wealth of knowledge leave our

organizations. Unless we anticipate these departures and plan for the transfer of knowledge, much of it will be lost as employees retire or leave for other reasons. The Colorado Department of Revenue has begun an effort to identify the competencies needed in our managerial positions, and plan for the replacement of key managers. Neil Peters, Director of Human Resources at the Colorado Department of Revenue, shares what one state agency has done to plan for predicted and unplanned turnover of people who run the place today, but may not be here tomorrow.

Security - Terrorism and Bio-terrorism

Communications - The function of the Office of Preparedness and Security as a hub for the review, analysis, and disbursement of information, including intelligence.

Critical Infrastructure Assessment - Assessing the vulnerability of Colorado's Critical Infrastructure and planning for the protection of the that Infrastructure.

Preparedness Activities - The Office Preparedness and Security role in planning, exercising, and training and their relationship to both terrorism and counterterrorism.

Crisis vs. Consequence Management - The need for an integrated crisis and consequence management approach in terrorist related incidents.

Business Continuity - An overview of the Office of Preparedness and Security role in facility security, occupant protection, and continuity of government/business.

Terrorism Task Force - Establishing a state and regional capability for cooperative communication and coordination in matters relating to counterterrorism.

Fraud Detection - Frivolous Return Filers

Find out how the IRS Frivolous Filer and Fraud Detection Units work to deal with frivolous and fraudulent filers. Also, learn how the states can benefit from and help the IRS in combating frivolous arguments used in both the federal and state tax systems.

3:00 - 3:15

Afternoon Break/Ice Cream by Arthur Gelber Organization

3:15 - 4:30

Breakout Sessions

Local Tax Issues

The taxability of contemporaneously purchased delivery services is frequently contested in sales or use tax audits. Addressed will be Colorado's rules regarding the taxability of such charges prior to the Colorado Supreme Court's holding in *A.D. Store Co. v. Executive Director*, their likely invalidation by the case's holding, and the case's effect on local taxation. There will be discussion on the various rules in Colorado pertaining to the taxability of computer software and services. Finally, a conclusion with a discussion regarding nexus issues in the state.

Budget Responses to Revenue Shortfalls

A panel of top state tax administrators will be discussing the States response to the revenue shortfalls and the impact on tax policy. Topics that will be covered in this session will include, revenue agencies budget cuts, amnesty programs, changes in the focus of work priorities, audit coverage, and federal IRC conformity in light of the new federal law changes. The panel will discuss how all these issues will impact the taxpayers in the coming years.

Technology Update

The use of technology by the Colorado Department of Revenue Taxation Division to provide improved customer service, increased efficiency, and more accurate processing of returns. This presentation will include a discussion of new technologies such as the Local Government Sales Tax Information System, frequently asked questions of the self-service system, Netfile – state income tax filing system through the Internet, and Telefile- state income tax filing system by telephone. Also covered will be Software Selection Best Practices for Commercial Off The Shelf system, RFI / RFP Best Practices when selecting a Revenue Management System or large scale "COTS" systems

7:00 - 8:00 Gourmet Coffee and Deserts - Hosted by Price Waterhouse

8:00 - 12:00 Country Western Night - The Walker Williams Band

Tuesday, October 1, 2002

7:00 - 4:30 Registration

7:00 - 8:30 Conference Breakfast

8:30 - 10:00 Breakout Sessions

State of the Economy

The state of the economy of the western states will be covered. Some advice and direction to the tax officials as they try to assess what recommendations they need to make to their state legislatures regarding taxes and perhaps what effect changing tax rates may have or what taxes should they look at and what impacts it might have.

Electronic Deregulation "Montana Style"

As the title delineates, this presentation is centered on the deregulation of the electric industry in Montana. Hear from the Montana State Senate Majority Leader and two electricity providers in Montana regarding the impact of electric deregulation. They will provide insight on electric deregulation from a political, operational, business and consumer perspective. You will have an opportunity to ask questions of the individuals that have survived the turmoil of a market condition impacted by government, corporate and consumer demands.

Streamlined Sales Tax

Charles Collins, Co-chair of the Streamlined Sales Tax Project (SSTP), and Stephen Kranz, Tax Counsel at the Council On State Taxation will give the respective government and business perspectives on the SSTP and the Implementing States. The discussion will cover the current status of the effort, the prospect of its success, and the details of proposals currently under consideration. Many administrative simplifications have already been approved for use in participating states; uniform definitions are now being tackled; what's on the horizon? The participants will cover the good, the bad, and the ugly parts of the simplification effort. You should know what the SSTP means to your state and your business community. Is it really a win-win for business and government?

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|---------------|---|
| 10:00 - 4:00 | Guest Tour - Historic Leadville and National Mining Museum Tour |
| 10:00 - 10:15 | Morning Break |
| 10:15 - 11:45 | Breakout Sessions |

Customer Service Issues and Updates

At the Colorado Department of Revenue, the Call Center has undergone many changes over the last 18 months - ranging from personnel management improvements to working with other parts of the agency to reduce the taxpayer's need to call or send e-mail. That, coupled with developing self-help options for the phone and the Web, have improved our overall service. This session will cover progress in those areas and other customer service initiatives. Also covered, will be processes that will assist agencies in knowing how your customer service is received and what the customer expects.

Disaster Recovery Issues

Continuity of service by the Internal Revenue Service to the taxpayers and the professional community who serve them was not a major issue in the past. After 9/11, this concern has come to light and taxpayers, practitioners and other government agencies want to ensure that the Service has contingency plans for responding to natural and other disasters. The IRS Facilities Management Staff will discuss past experiences with disaster recovery and how the Service is prepared to provide continuity of service to the American public.

Tax Compliance Issues and Programs

The technology explosion of the last several years revolutionized Collection Programs at the California Franchise Tax Board. New systems and new technology provided the tools for transformation, and gave us the opportunity to engineer a new customer-centered taxpayer relationship into our systems. We are able to tailor our communications with taxpayers based on their individual needs, and give them options for resolving their delinquent accounts. The result is more efficient collections with less intrusion into taxpayers' lives. This outcome is

achieved largely through "data mining" - using existing data more effectively to manage collection accounts and to customize our contacts with taxpayers. The Nonfiler Program's new Integrated Nonfiler Compliance (INC) system is also making very effective use of data mining to identify new nonfilers and to sharply reduce the number of unnecessary contacts. The INC system is the foundation for a data warehouse that will eventually be available to Collections, Audit and Filing Programs to meet their business needs.

12:00 - 1:30

Luncheon

12:45 - 1:30 Speaker - Jake Jobs, American Furniture Warehouse

1:45 - 3:00

Breakout Sessions

Abusive Trusts

Come see how the IRS is dealing with the increasing compliance problem; the uses of trust arrangements for tax evasion and tax avoidance. Learn how abusive trusts are set up, how they are promoted and how they operate and hear about the Service's efforts and tools used in identifying, examining, and collecting from abusive trust schemes. Come learn why if something sounds too good to be true, it probably is.

Stakeholder Relationship Management

Share in a panel discussion made up of IRS Governmental Liaisons and their State counterparts as they share how they work together to help a common stakeholder...the taxpayer. This panel will explore how the IRS and the states can work together, how they overcome obstacles and how they manage joint ventures that have benefited both agencies and the taxpayers.

Federal - Local Government Agency Relations

Learn how a new IRS business unit, Federal, State and Local Governments, provides customized communication products and services and how they can assist government agencies within your state comply with federal employment tax law and information reporting requirements.

3:00 - 3:15

Afternoon Break

3:15 - 4:30

Breakout Sessions

Federal Income Tax Refund Offset program

There are now 25 of the 42 individual income tax states (including the District of Columbia) that participate in the federal program that offsets federal individual income tax returns against delinquent debts -- in this case, delinquent state income taxes.

Congress agreed in 1998 to allow states to participate in the federal program. (States generally have allowed the federal government to participate in their program for decades.) States collected more than \$100 million last year through the program. Representatives from Financial Management Service, which runs all federal offsets, and the Federation of Tax Administrators, which is seeking an expansion and some administrative improvements to the federal legislation, will discuss how the refund offset program works, highlight its benefits and answer your specific questions.

Litigation Update

Phillip Horwitz and Ernie Dronenburg will review recent decisions that have come down in the last year. Mr. Dronenburg will discuss recent cases out of California, Oregon, Washington, Arizona, Nevada, and Idaho. Mr. Horwitz will discuss cases recently handed down in Texas, New Mexico, Colorado, Utah, Wyoming, Montana, Hawaii, and Alaska. Their update will cover major tax cases decided in the last year, with particular focus on intangible holding companies and on-line affiliates.

Commissioners Roundtable

This breakout session, which has become an annual tradition and an audience favorite, is designed to provide a lively and interactive forum between Revenue Commissioners/Directors and the attendees. While no final decisions have been made regarding the composition of the panel or the topics to be discussed we can assure you that this is one session that you will want to attend. Past discussion topics have included "Migration to Electronic Filing and Customer Service delivery systems", and "Revenue trends and their impact on Budgets".

- | | |
|--------------|---|
| 5:30 - 6:30 | Western States Association of Tax Representatives (WSATR) Reception |
| 6:30 - 8:30 | President's Banquet |
| 8:45 - 11:15 | President's Entertainment Night - Hypnotist Jerry Valley |

Wednesday, October 2, 2002

- | | |
|--------------|---|
| 7:00 - 12:00 | Registration |
| 7:00 - 8:30 | Conference Breakfast |
| 7:30 - 8:30 | Executive Committee Breakfast |
| 8:00 - 5:00 | CAMTA meeting |
| 8:30 - 10:15 | <u>WSATR Panel on Tax Policy and Economic Development</u> |

E. Scott Ewing, an attorney and ex-FTB lead counsel for credits and incentives programs now working as a practice leader with Deloitte & Touche in Los Angeles and Allan Smith, a CPA and practice leader for Deloitte & Touche's credits and incentives practice, will explore Western

States credits and incentives programs, focusing on what works and what doesn't, from both the state economic development and practitioner perspectives. Programs such as California's MIC & EZ programs, Washington's B&O R&D credit, and Arizona Enterprise Zones will be discussed. A lively discussion of policy, law and pending legislation is sure to make this a very informative and interesting panel presentation.

10:15 - 10:30

Morning Break

10:30 - 11:15

Data Sharing

Learn about the IRS data exchange program, how it operates and how states can use the various data extracts for their own compliance initiatives and revenue forecasting. This includes an overview of the different extracts, how to enroll, and some tips on troubleshooting common problems.

11:15 - 12:00

Annual WSATA Business Meeting

OUTDOOR ACTIVITIES FOR WSATA 2002

The Fall is beautiful time of year in the Colorado Rockies, with mild temperatures and beautiful sights. It is not uncommon to have sunny days in the 70's, and the crowds are few, making for a very pleasant time of year up here. With a little luck, you can take full advantage of what this region has to offer and here are a few suggestions on what to plan for.

Golf:

Breckenridge Golf Club Pro Shop, 200 Clubhouse Dr., Breckenridge, CO 970-453-9104; Copper Creek Golf Club, 104 Wheeler Pl., Copper Mountain, CO 970-968-2339; Raven Golf Club at Three Peak, 2929 Golden Eagle Rd, Silverthorne, CO 970-262-3636.

Cycling:

Bicycle rentals are readily available throughout the Breckenridge-Silverthorne/Dillon-Keystone area. Casual riding can be found on paved riding trails that connect Keystone, Dillon, Frisco, Breckenridge, Copper Mountain, and Vail, and there is a scenic route along the West and North shores of Lake Dillon. More challenging off road riding can be found on the unpaved trails in the White River National Forest.

For those a little less inclined to take the "incline" head-on, contact Mountain View Sports in Keystone, CO 970-468-0396 to arrange for a ride to the top of Vail Pass with your bicycle, where you can begin your decent from the clouds to return to Frisco along I-70.

Sightseeing:

No visit to Colorado will be complete without experiencing the beauty and history of this great state, which boasts some of the most scenic mountainous terrain and spectacular driving experiences in the country, and where you're sightseeing experience is limited only by the amount of time you spend.

4X4 Rentals/Hummer Tours:

Some of the best sightseeing can be had this time of year on the unpaved roads in the forested and historic old mining regions. A 4X4 rental or guided Hummer Tour is a good choice for accessing these remote areas, especially if you are interested in viewing the colorful changing of the Aspen trees.

Fishing:

The Blue River below Dillon Reservoir boasts some of the state's premier gold metal waters, and is destined to remain that way with its catch and release fishing. You can find fishing regulations and purchase a fishing license from a local shops and stores, or look for info at the Colorado Division of Wildlife web site www.dnr.state.co.us/wildlife.

Hiking:

The hiking trails in the Summit County area vary widely, from a casual walk on a paved trail system or heart-starting hikes on unpaved trails in the forested regions, all the way UP to the challenge of topping a Colorado 14'er. Choosing the right one for you should be easier with your hosts recommendations of 10 or more popular remote hikes, with handouts describing the level of difficulty, and a map of the terrain. If you would prefer to plan your own hike, this region is in the White River National Forest. Please take the time to familiarize yourself with safe hiking practices, prior to entering the Colorado backcountry.

Boat Rentals:

The Lake Dillon Marina, which is located on the North side of the lake, offers a variety of boat rentals at reasonable rates. The marina can be reached at P.O. Box 1825, Dillon, CO 80435 970-468-5100, 303-629-6342 (Denver direct), 970-468-2842 (Fax), e-mail dillonm@colorado.net, or on the web at <http://dillonmarina.com>. Please keep in mind that Fall availability is weather permitting.

Breckenridge Museums and Tours:

The Summit County Historical Society, P.O. Box 745, 309 N. Main Street, Breckenridge, CO 80424 970-453-9022, hosts a variety of tours in and near Breckenridge. The tours include a walk through the Breckenridge historical district, Washington Hardrock Gold Mine, Lomax Placer Gulch Tour and Slide Show, the 1875 Edwin Carter Museum, and school house museums in Dillon and Montezuma (on a mountainside at 10,500 feet!).

Public Transportation:

The Summit Stage provides bus service throughout the valley including Keystone, Dillon, Silverthorne, Breckenridge and up to Copper Mountain. The Summit Stage can be reached at 970-668-0999 or on the web at www.summitstage.com.

Want to book an activity in advance of your arrival? Summit County has some free booking services operated by local concierges which can be found at: Summit Activities Center, 888-230-2844, 970-547-1594, www.summitactivities.com; Activities at "The Mountains" 866-433-2244, 970-668-8507, www.themountainusa.com.

For more information visit the WSATA Conference 2002 web site for greater detail at <http://www.taxadmin.org/wsata2002/> You're going to love up here!