Timely Tax Topics

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In-Plant Economic Education

Over the last four years, the Seidman College of Business has brought economic and business education to some of the area's businesses. A significant program has been the three education sessions offered at area manufacturers, two at Steelcase, Inc., and one at C. L. Frost and Co. The programs were conducted by Seidman College Professor John Bornhofen, and the format was similar for all three programs. The sessions took place in the companies' facilities and employees were allowed to attend on company time. No fees, tuitions, or honoraria were paid to Seidman College. Participating employees included office and factory workers but not middle or upper management personnel. The program was limited to employees without college degrees. The sessions ranged in size from ten to 35 participants.

Each session consisted of eight to ten meetings lasting about one and a half hours. At the first meeting, participants were given a 25-question pretest designed to measure their current knowledge of economics. At the last meeting they were given a similar test to measure economic knowledge. Each attendee received specially designed and specially written descriptive material in selected areas of economics to read before each meeting and then to be discussed at the following meeting. After the questions stemming from the write-ups were addressed, general questions about economics and business were discussed. Topics ranged from general economics to such business areas as accounting, marketing and finance, to current-event topics such as government economic policy, energy availability and prices, labor markets, the role of taxes, government spending and deficits, and the role of the money supply. Questions on current events and other concerns provided additional opportunities to use economic and business concepts and to show their applicability. The participants showed little reluctance to speak up and ask questions, which resulted in lively discussions. Attendance remained high throughout the sessions.

The basic format was the same throughout the three sessions, but in the C. L. Frost session, the descriptive materials were made available to all employees. The topics for which materials are available are:

1. Why can't we have as much as we want?
2. How can we improve our standard of living?
3. What kind of an economic system do we have?
4. Profits and people: Is there a conflict?

5. How does our economy fit together?
6. What are recessions?
7. What about unemployment?
8. What causes inflation and how can it be controlled?

The tests administered at the end of each session indicated that the participants' knowledge of economics increased by 30 to 35 percent. In addition, surveys were taken by the sponsoring employers. These surveys found the vast majority of attendees were highly satisfied with the program, were improving their understanding of our economic and business system, and would recommend the program to others.

If you are interested in exploring the possibility of an in-plant educational program in your firm or organization, contact Dr. John Bornhofen (895-6611, ext. 632) or the Dean's Office (895-6611, ext. 271).

Enrichment Fund Economic Lecture

Dr. Michael Novak, the Ledden-Watson Distinguished Professor of Religion at Syracuse University, currently on leave as a resident scholar at the American Enterprise Institute in Washington, D.C., was in Grand Rapids on September 8 to speak to approximately 150 members of the religious and business communities. After his lecture in the afternoon, short responses were presented by Dr. Seymour Van Dyken, Senior Minister at East Congregational Church in Grand Rapids, and Max De Free, Chairman of the Board of Herman Miller Company, Zeeland. The discussion and interaction with the audience that followed proved very useful to theologians and church leaders, who increasingly are being called on to provide commentary on economic matters.

Dr. Novak has written many books and articles, most recently and very relevant for the Forum on September 8, two books concerning American capitalism: The American Vision, an Essay on the Future of Democratic Capitalism and The Denigration of Capitalism: Six Points of View. These books can be purchased from the American Enterprise Institute for public policy research, 1150 17th Street, N.W., Washington, D.C. 20036.

Twelve religious leaders met with Dr. Novak and Dean DeVries the evening of September 8 to continue the dialogue begun in the afternoon session. Again, significant economic issues were explored. Participants in the evening as well as the afternoon sessions supported the idea to schedule future sessions to help religious leaders increase their economic understanding and integrate their economic perspectives with their theological convictions.

Timely Tax Topics

By James P. Sanford, Director, Master of Science in Taxation Program

The Master of Science in Taxation (MST) program at the Seidman College of Business and Administration has had the effect of creating a "bridge" between the academic and business worlds.

Every year Congress passes new tax laws, the courts decide hundreds of tax cases, and the Internal Revenue Service issues hundreds of revenue rulings and procedures.

It is difficult for tax practitioners to keep abreast of the tax changes and hire qualified tax personnel. As a result, tax professionals demand in-depth tax education courses.

To answer the needs of the local tax community, the Seidman College of Business and Administration, with the help of a Taxation Advisory Committee consisting of local and regional tax professionals, formed a graduate tax program in 1976.

These tax professionals decided on the curriculum and taught the courses under the supervision of the Director of the MST program.

The program was an immediate success due to the demand of the tax community and the high caliber of the teachers (tax professionals) in the program. Current and future tax practitioners were being taught by other tax practitioners with the aid of the Seidman College.

As the full-time academic director of the MST program, my first responsibility is to meet the needs of the west Michigan community. This responsibility is being fulfilled by offering the following current and in-progress programs:

1. Graduate Tax Education Program: This program offers 14 different taxation courses geared toward tax professionals.
2. Continuing Tax Education Program: This program offers a variety of one-day seminars on current topics in tax-
3. Tax Assistance Program: A program is being developed in which graduate tax students will offer limited free tax assistance to the community. This program, supervised by tax professionals, will give graduate tax students valuable experience and provide some of the tax needs of the community.

4. Corporate Tax Research Program: Degree-seeking MST students may receive up to three hours of graduate credit by performing tax research. Graduate tax students seeking tax research projects will be given the names of West Michigan corporations who want in-depth, free tax research.

5. Tax Articles Program: All tax professionals associated with the graduate tax program are encouraged to write informative tax articles aimed at the West Michigan community.

6. Public Speaking Program: The director of the MST program and the MST faculty members will speak, at no charge, to community organizations on taxation topics.

In future issues of the Memo, we will discuss specific tax topics of current interest.

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**West Michigan Management Memo**

The West Michigan Management Memo is published twice a year, in the spring and fall, and is sent to all contributors to the Enrichment Fund. Every two years a dinner is held to honor those leaders who helped found Grand Valley State and who by their interest and involvement continue to enrich the development of the institution as well as the quality of life in our community. The fund enables the Seidman College to support activities and programs designed to increase understanding of our economic system, facilitate exchanges of ideas between students, faculty and businessmen, and, in general, enrich the business and academic communities. Persons interested in more information about the Memo, the published articles, or the Enrichment Fund should contact the Dean’s Office, F. E. Seidman College of Business and Administration, Lake Huron Hall, Grand Valley State, telephone 895-6611, ext. 271.

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**Faculty and Staff Notes**

Dr. Marvin DeVries, Dean of Seidman College, attended an international conference in Paris in June where he chaired a session titled “The Identification of Management Potential.” More than 600 people from 34 countries representing the academic and business communities participated in the conference, which had the theme, “Managers for the 21st Century: Their Education and Development.”

Dr. Gregg Dimkoff, Associate Professor of Finance and Assistant Dean of Seidman College, recently completed the exams for the Chartered Life Underwriter designation. The C.L.U. certificate was presented to him in September.

Dr. Donald Klein, Professor of Accounting and Chairman of the Accounting Department, returned after a one-year sabatical leave during which time he worked as an auditor with Seidman and Seidman.

Dr. R. Eugene Klippel is rejoining Seidman College as Professor of Marketing. Dr. Klippel was Associate Professor of Marketing in the Seidman Graduate College of Business from 1975 to 1976. He then joined the University of South Florida as Associate Professor of Marketing and in 1979 became the President at Management Horizons, Inc., in Columbus, Ohio. Dr. Klippel received B.B.A. and M.B.A. degrees in marketing from the University of Cincinnati and a Ph.D. in marketing from The Pennsylvania State University. He has taught at Penn State and the Harvard Graduate School of Business.

Dr. James P. Sanford joins Seidman College as Associate Professor of Taxation and Director of the Master of Science Program in Taxation. Dr. Sanford received a B.B.A. degree in accounting and a J.D. in law from Indiana University. He is a member of the Michigan Bar and a Certified Public Accountant. He has worked for Arthur Young and Co., and taught accounting and taxation at Walsh College in Detroit for four years. While at Walsh he served as the acting director to the graduate taxation program for two years.

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**Seidman College Faculty Publications**

Investor Benefits from Corporate International Diversification,” Journal of Financial and Quantitative Analysis (forthcoming issue), Dr. H. L. Brewer, Associate Professor of Finance.


Whatever Happened to Zero-Based Budgeting?” Managerial Science (forthcoming issue), Dr. Stan Lindquist, Associate Professor of Accounting, and Dr. R. Bryant Mills, Associate Professor of Management and Director of the Master of Public Administration Program.


Getting Along with the Informal Leader,” Supervisory Management (forthcoming issue), Dr. John Hodge, Associate Professor of Management.


Organizational Communication,” The Personnel Administrator, July 1979, Dr. Jitendra Sharma, Professor of Management.