I. Introduction

A. Why You Really Should Read This Long but Fascinating Article

Please permit me, in authentic Windy City [1] braggadocio style, to explain why you should read this historic article, even if you have not had the good fortune to attend the University of Chicago Law School’s Federal Tax Conference. This is the story of the nation’s most prestigious tax conference—one of humble origins, great successes, near catastrophes, and (as of now) a happy ending. The star of the story is legendary Tax Professor Walter J. (Wally) Blum. Within this story we will describe—and destroy—Chicago’s second greatest urban legend, [2] namely that Wally created, designed, planned, and was the driving force behind the inaugural (1948) Tax Conference. [3] We’ll identify the Conference’s unique, 74-year, symbiotic relationship with TAXES The Tax Magazine (TAXES). We’ll reveal how the Conference nearly died on its 50th anniversary at the hands of its sponsor (the Law School) while simultaneously facing loss of its publisher. We’ll name the unsung heroes who created (in 1948) and those who later saved (in 1998) the Tax Conference from ill winds blowing. And we’ll describe how the Tax Conference’s Planning Committee (PC) re-designed, re-built, and re-branded the Conference into a rock star concert event status, consistently being the hottest ticket in the Tax World, in 2021 selling out all its online seats in 3 minutes and successfully holding one of the few “in-person-only” tax conferences in the same, pandemic-plagued year.

“But wait, there’s more!” [4] We’ll take you back in time, from creation to COVID, through the nearly 75-year history of the Tax Conference, to revisit what was simultaneously happening in the ‘Real’ World, the Tax World, the Tax Conference World (as seen through the eyes of the Conference’s Chairmen and PC members), and Wally’s World (as seen by his many admirers and proteges).

And all of this against the backdrops of the Law School, the University as a whole, and the City of Chicago itself. It’s a long but rewarding ride on this train, so please hop on!

B. How Did This Come About, and Why Me?

As part of the series of articles being prepared in conjunction with TAXES’ centennial in 2022, I was invited to write about a historically relevant topic of my choice pertaining to TAXES or the tax law. TAXES’ long-standing relationship with the University of Chicago Law School’s Tax Conference immediately came to mind, as 2022 also is the Tax Conference’s 75th year and each Conference culminates with publication in TAXES of the outstanding papers prepared by its presenters (and on occasion, by participating panelists) in the following March issue.
But why me to write a history of the Tax Conference and its connection with TAXES? Over the years I have had ties (tenuous, at first) with the University of Chicago, its Law School, and the Tax Conference. [5] I also have had ties (tenuous, at first) with TAXES. [6] Having no other qualifications to write this piece, I was pleasantly surprised when TAXES’ editors approved my undertaking.

- “Can I personalize it?” I asked.
- “Sure.”
- “Can I attempt some humor?”
- “Sure.”
- “Do I have a page limit?”
- “Nope.”
- “I’ll do it!”

And the rest, as they say, is history. [7]

So, with the benefit of assistance and research resources provided by the Law School’s Library Department, commentary/testimony from the members, present and past, of the Tax Conference’s PC, and more than a little reliance on my personal recollections (while some still remain), this article attempts to provide a comprehensive history and understanding of the Conference’s evolution, including its lengthy relationship with TAXES.

As will be seen, this paper nominally covers almost three-quarters of a century of Tax Conferences. In my view, the most interesting Tax Conferences are the formative first two (held in 1948 and 1949, respectively); two towards the middle years, namely, 1998, when the Conference was under separate attack by its publisher and its University sponsor, and 2003, when the Conference was successfully reformulated, rebranded, and reborn after nearly dying due to lack of attendance; and the last two, being held during COVID-19 years 2020 and 2021. Our focus is on the stories behind those six conferences.

But first, let’s set the table with a few words (maybe more) about the Law School, and then a few (maybe more) about one of its professors.

C. What You Should Know About the Law School

The Law School, literally built with funds from John D. Rockefeller, opened in October 1902. The current Law Building, designed by Eero Saarinen, opened in 1959. [8] When I attended in the early 1970s, the Law School had an enrollment of about 170 per class year—slightly less than Yale’s Law School, and less than one-third that of Harvard’s. Those student enrollment ratios among these top schools remain about the same today.

The Law School’s brand is recognized internationally; it is renowned for its emphasis on law and economics. Similarly, the Tax Conference long ago developed and today retains its unique brand for excellence amongst tax conferences.

Unlike the many other law schools calling Chicago their home, the Law School has never provided a graduate (LL.M.) tax program, [9] but it seems none the worse for it. When I attended, the designated Federal Tax courses were Individual Tax, Corporate Tax, and Estate and Gift Tax. There was also a small seminar on State and Local Tax. According to the Law School’s curriculum, there was a Federal Tax Reform seminar offered during my first year of school (1971–1972). [10] The course catalog also listed a Taxation of Foreign Income seminar. [11] That class was not in fact offered during my three-year Law School stay. [12] Notwithstanding (in my biased opinion) a general lack of favoritism—shall we say a failure to overweight Tax classes in the curriculum?—by the University (or the Law School) towards tax courses back in the early 1970s, I did not feel deprived as a law student or a student of the tax law. To me, missing an International Tax course was no worse than missing (due to one day’s illness) my high-school driver’s education class on how to drive a manual-transmission automobile—it would be nice to have learned, but I figured I could always easily circumnavigate the problem (in cars, by driving automatic, not stick shift, autos; in tax practice, by working on domestic, not foreign, tax matters for clients). Turns out I was wrong about easily circumnavigating foreign tax aspects!
And notwithstanding the Law School’s slim offering of tax courses in my student days and there being no offering of an LL.M. (Tax) program to this day, the Law School has always maintained a top reputation in Tax Law, both among practitioners and in those sometimes controversial-rating magazines, even as it has built out its tax course curriculum category. Is that attributable to the outstanding tax professors the Law School has attracted? Is it the success of its alumni in leadership roles (national and international) in the Tax World? Is it the Law School’s association with and sponsorship of its vaunted Tax Conference? Probably a measure of each.

D. What You Should Know About Wally Blum

As will be seen, an authoritative recounting of the Tax Conference’s history and inner workings mandates repeated reference to Professor Walter J. (Wally) Blum. If the Tax Conference is the Tax World’s Land of Oz, then for almost all of its first 46 years Wally was its wizard, working wonders both behind and in front of the curtain.

There is a seamless flow from discussing the Law School to discussing Wally. If the Law School constructed a Mt. Rushmore for its post-World War II professors, Wally would be up there, as one of its four giants. Former Dean Douglas Baird described Wally as “the first citizen of the Law School.”

Former Dean Geoffrey Stone’s testimonial to another Law School titan, Bernie Meltzer, published in the Law Review, reveals Wally’s equally memorable connections to the Law School. Dean Stone writes:

…Along with his close friends and colleagues Edward Levi, Harry Kalven, and Walter Blum, he (Meltzer) was one of the four towering figures who redefined and reconstituted the University of Chicago Law School after World War II.

Edward, Harry, Wally, and Bernie were products of the University of Chicago. All four attended both the College and the Law School. Levi, Kalven and Blum also grew up in Hyde Park and graduated from the University of Chicago Laboratory Schools. …

Levi graduated from the Law School in 1935, Meltzer in 1937, Kalven in 1938, Blum in 1941. Each was a virtuoso student, a Law School legend while still taking exams. After serving their country … Levi and Kalven joined the faculty in 1945, Blum and Meltzer in 1946. They quickly became the intellectual core and the heart and soul of the University of Chicago Law School. Their lives were intertwined in innumerable ways. Blum and Kalven were coauthors; Levi and Meltzer were brothers-in-law.

When Geoff Stone arrived at the Law School as a first-year student (1L) in 1968, he noted that Meltzer, Blum, and Kalven were at the center of everything in the Law School, and each had become a dominant figure in their respective fields; Blum was a national leader in tax law. Stone observed:

They were great teachers as well as great scholars, and they were thoroughly devoted to the Law School, its students, and its alumni. They were constantly accessible, incessantly curious, and forever young.

The four of them brought a distinctive intellectual style to the Law School. Although each had his own peculiar quirks and traits of personality, they were all questioners. They questioned everything. In class and out, on every subject, in every conversation, they asked, probed, interrogated, and wondered. …

… Although each was extraordinarily well read and deeply interested in interdisciplinarity (they were among the leaders of the national movement to bring such disciplines as economics, sociology,
and philosophy into legal analysis), they were first and foremost lawyers. They brought both to the classroom and to their scholarship a fascination with the law, both in principle and in practice. …

(Bernie), Edward, Harry and Wally were remarkable figures. Products of the Depression, of the University of Chicago, and of World War II, they shaped not only the Law School, but the law. … [22]

As a teacher, Wally was described by Dean Stone upon his retirement as having dazzled generations of students with his masterful analysis and his subtle understanding of the intricacies of such complex subjects as taxation, reorganization, and bankruptcy. In the student course evaluations the year before he retired, his course in taxation was ranked among the top three courses in the entire Law School in “overall evaluation,” the “extent to which the course challenged you,” “the professor’s command of the subject matter,” “the professor’s ability to guide discussion,” and “teaching performance.” [23] It is easy for us to see that those high rankings would equally apply to the Tax Conference today—other than the “ability to guide discussion.” I would chalk that up to the fact that the Conference’s Program moderators don’t have the ability to grade the audience at the end (or write their character references), and thereby even minutely affect their ability to obtain employment after the end of the Program (unlike real “students”).

It appears to me that much of what Dean Stone wrote about the four noted professors is sewn into the fabric of the Tax Conference, to this day. That might be Wally’s lasting legacy to the Conference, its PC, and its audiences, 27 years after his passing.

I happened to be Chairman of the Tax Conference for the two (46th and 47th annual) Tax Conference years that included Wally’s illness and his succumbing to cancer in December 1994 at age 76. Writing this article has reminded me that, like the Tax Conference presentations and papers I prepared while he was alive and those ever since, I still hope to meet the high standards that his approval required—and that he embedded in the Tax Conference. [24] The year after Wally’s death, his colleague (and briefly, fellow PC Member) Professor Daniel Shaviro similarly stated, “He was rigorous and one wanted to meet his standards, but he was also willing to have them met.” [25]

Wally treated some Tax Conference presenters—several of us having been his former students—as though we were still his students, and like his classroom discussions, Wally gave us no easy passes. The year after I presented my first Tax Conference paper, I co-authored an article in TAXES [26] involving the tax aspects and planning opportunities arising from the sale of stock or other property in exchange for an installment note that by its terms would cancel or terminate upon the death of the seller. We had the audacity to posit that the risk premium that the seller would charge the buyer (to take into effect the risk of non-payment should the seller die before the installment(s) came due) could be reflected, and should be recognized for tax purposes, either in the stated sales price or in an increased interest rate on the note. Wally agreed that the risk of non-payment due to death could be reflected in the note’s interest rate, but strongly disagreed that it could be reflected in the sales price of the property, and we traded correspondence on this point. When we completed our agreement to disagree, I asked Wally if we could publish the correspondence, and our colloquy appeared back-to-back in the March 1982 issue of TAXES (with suitably punny title names we respectively selected). [27]

Here’s another example: Richard M. (Dick) Lipton (Class of 1977), a prolific writer and three-time presenter at the Tax Conference, describes his interchange with Wally, who also was his former professor, immediately after completing his first presentation to the Tax Conference in 1986 (only nine years after graduating the Law School): “When I gave my first presentation to the Law School Tax Conference, it was on the passive loss rules not long after enactment. [28] Immediately after I spoke, Wally rushed down the aisle (as he always did) and said, ‘Thanks for the great explanation, and the rules are really interesting, but do these rules make any sense?’ I could only respond, ‘Well, the rules are internally consistent, if that is what you mean by ‘sense.’” He immediately said, ‘No, what I was asking is whether you would address loss utilization in this way.’ I could only respond that I would not have done so, but Congress had spoken, and I was simply trying to make them understandable
to people. Wally, as he often did, shook his head and walked away. I now know that he was looking for me to address how the rules 'should' have been written, rather than how they 'were' written, but I was too young then to hit that note.” [28]

Former student and Conference speaker Steve Bowen (Class of 1972) had similar recollections. He observed that as soon as you finished your Conference presentation Wally would run up and give you immediate feedback—“That was an ‘A!’” or “That was very good, but I would have emphasized this.” [29]

I would be remiss not to mention how admired and beloved Wally was by the Law School students—even those who did not have him as a professor. One anecdote from a Class of 1996 student (and 2015–2016 PC Chair) Diana Doyle:

Walter Blum died during my second year of Law School at U of C, so I never met him through the Conference nor did I have the opportunity to take his class. I did, however, meet him the first day of classes [in 1993]. A group of 1Ls were sitting in the Green Lounge for lunch, and Professor Blum walked up and asked if he could join us. I don't remember much about the conversation, but that memory of a truly kind and involved professor will stay with me always. [30]

Steve Bowen, one of undoubtedly many Law School students over the years who didn’t know they wanted to be tax lawyers until they encountered Professor Blum in class, informed me that he took every class Wally taught while Steve was in Law School, including one with five students in a seminar on tax reform. [31] Steve described Walter as a fabulous teacher who never stopped teaching! [32]

And to complete the link between the Law School, Wally, the Tax Conference, and the PC, it is not surprising to find that several Law School professorships and a research fund have been created and endowed by former PC members (and former students of Wally's). [33] There’s Something About Wally …

In a lighter vein, I should mention that I tinkered with the idea of titling this portion of the paper in a narcissistic, self-promoting, and eye-catching manner, while honoring Wally's many accomplishments. "Walter J. Blum and My Brilliant Career” would fill the bill. Alas, it has already been used!. [34] Taking a 180 degree turn, I thought of three streamlined, humble alternative titles: "Walter J. Blum,” “Walter Blum” or just plain “Wally.” Drat, those have all been taken, too! [35]

With that background about the Law School and Wally, let's proceed to the history and evolution of the Tax Conference and its lengthy relationship with TAXES.

For the readers' convenience, I have divided this article into 16 sections, listed below. Parts V through XIV reflect my attempts to identify what was happening over each of the Conference’s nine decades in what I refer to as the Real World, the Tax World, Wally's World, and the Tax Conference World, respectively. The 16 segments are as listed below:

I. Introduction
II. Overview: What the Conference Is (and Is Not)
III. The Conference’s Key Components, Then and Now
IV. The Tax Conference/ TAXES Connection: A Key to Success, Then Near Failure, and Then Success Again
V. 1948—Welcome to … the First University of Chicago Institute on Federal Taxation (Huh?)
VI. 1949—The Second Conference (Or Was It the First?); Wally Blum Joins the PC (and Redesigns the Conference?)
VII. The 1950s—Goodbye 1939 Code, Hello, 1954!
VIII. The 1960s—Tax Rates Dive, The Conference Continues to Thrive
IX. The 1970s—The Tax Reform Era Begins in Earnest

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X. The 1980s—More Tax Reforms; Wally Retires (Sort Of)

XI. The 1990s—The End of Wally World, the End of an Era—and the End of the Conference?

XII. The 2000s—The Conference Nearly Dies Again, but At the Last Moment Revives

XIII. The 2010s—The Conference is Flying High and Selling Out

XIV. The 2020s—The COVID Years; The Conference Vacillates, Vaccinates, and ‘e-Volves’

XV. The Conference at 74: Where Are We Now and Where Do We Go from Here?

XVI. Evaluations, Observations, and Conclusions

So to quote PC member and Conference presenter Burt Kanter [37] paraphrasing Dr. David Reuben, [38] “what follows is everything you wanted to know about the Tax Conference but did not know what to ask.”

II. Overview: What the Conference Is (and Is Not)

Let’s begin with what the Tax Conference is not. It is not a conference for beginners; although you don’t have to be an accomplished tax specialist to come, it wouldn’t hurt. [39] It is not limited to tax lawyers, although it is sponsored solely by the University of Chicago’s Law School. Although sponsored by the Law School, it is not held at The Law School; rather it has been held for the last twenty or so years in a large student lecture hall ten miles away. It is not designed for students to attend, but it brings out the latent “student” in those who do attend. It does not report on “hot tax topics” of the moment, but it is undoubtedly the Tax World’s “hottest ticket”, having sold out all general admission seats in less than 15 minutes for the last several years, [40] including only 3 minutes for the recent 2021 Tax Conference. [41] It is not a University of Chicago-originated, deliberately humorous, high-level academic debate about the relative merits and meanings of two items of Ashkenazi Jewish traditional holiday fare cuisine, [42] but it often does devolve into an unintentionally humorous, microphone-amplified, spirited, high-level debate amongst the audience members (sometimes to the exclusion of the panel) as to the merits of various tax positions under discussion by the panel. And it does not give honoraria to its speakers or panelists, although the experience of preparing, presenting, and publishing one’s paper can be a priceless reward.

So let’s next focus on what the Tax Conference is. It is a multi-day [43] conference predominantly devoted to the discussion of federal income tax matters. It has been held each Fall in downtown Chicago in person (pandemics permitting; they didn’t in 2020) for the past two decades in the University of Chicago Gleacher Center, which houses the University of Chicago Booth Graduate School of Business. And it is a survivor; the Tax Conference was successfully rebranded, resuscitated, and revitalized as an “invitation-only” conference starting in 2003, and is still thriving in that format.

III. The Conference’s Key Components, Then and Now

The Conference’s key human components have remained the same since its start: the members of the PC, the moderators, presenters, panelists, and (last but not the least) the audience. What follows is a brief introduction to each, and their contributions to each year’s Conference.

A. The Planning Committee

Originally consisting of five members who launched the inaugural conference in 1948, [44] the PC was at its largest in 2021, with 33 members. [45] The PC provides the Chairman with input and advice on and identifies topics deemed to be of interest and importance for presentation to the Tax Conference’s registrants. The PC also provides input and advice to the Chairman on the identification and selection of Conference speakers, panelists, and moderators, the Conference Program venue, the Conference and the Conference dinner venues, and the after-dinner speaker. The PC also makes recommendations on the selection of invitees, and discharges its functions with unusual collegiality. As former PC member Daniel Shaviro (1994–1995) observed:
I was very positively struck by the collegiality that I saw among leading tax practitioners, not just on the Planning Committee but in leading cities around the country. People would bat around names of possible invites [as speakers or panelists], and it was notable how well they seemed to know what leading folks in, say, New York or Los Angeles or Washington were doing, along with their strengths and weaknesses as speakers, etc. The spirit of it was also mainly supportive, not sniping or sarcastic. That kind of national-level collegiality also exists among tax academics, but I suspect not many in practice areas outside tax.

Diana Doyle, who joined the PC in 2008, observed the same collegiality on the PC and at the Conference:

When I first joined, I really didn't know anyone else on the Committee or folks who were regular attendees. At that first Conference as a Planning Committee member, it was really heartwarming to see how people were so happy to see each other again and catch up. After a while, I got to know people well enough that I had the same feeling every time I attended.

The PC also provides guidance with respect to philosophical matters and logistical challenges, including responding (since March 2020) to the COVID-19 pandemic.

The PC is a self-perpetuating group without a fixed term; members are on until they are off, which typically occurs in connection with their retirement from the full-time tax practice. Today’s Committee’s members hail from large law and accounting firms, private industry (in-house tax counsel or tax directors), and academia; government officials have not participated. During Wally’s time, his approval of new members appears to have been the norm; if he wielded veto power, it was being exercised behind the curtain, i.e., before the candidate was brought up for discussion and consideration for membership by the PC.

An unwritten rule of thumb, in place at least during the 1970s–1980s if not other eras: a candidate for the PC was required to deliver one or two satisfactory Tax Conference presentations to be considered for membership on the PC. That requirement dropped by the wayside, at first with respect to private-industry (corporation) high-level tax executives who generally did not have the time to prepare or support and deliver a ‘Chicago-type’ presentation and paper.

They do call it the University of Chicago Law School’s Tax Conference for good reasons, one being the Law School’s ongoing representation on, and support of, the PC. Since the second Tax Conference there have been only four liaisons (“Faculty Advisors”) from the Law School who have served on the PC: Wally, who served for 46 annual conferences (1949–1994); Professor Daniel (Dan) Shaviro, who joined the PC during Wally’s last year (1994) and served as Faculty Advisor during part of 1995 before departing the Law School faculty; Professor Elizabeth (Beth) Garrett, who served briefly (1996–1997) on the PC before moving into an administrative role at the Law School and later departing the Law School faculty; and Professor Julie Roin, who has served for 24 annual conferences (beginning in 1998). Both Wally and Julie acted/have acted multiple times as moderators and panelists (Wally also having presented once, but having published twice early on), both thereby contributing substantively to the Conference’s success and, thinking more broadly, the development of the tax law. Perhaps more importantly, both Wally and Julie have actively advanced the Tax Conference’s mission while remaining true to the Law School’s mission. Julie describes her role at PC meetings and on Conference panels as listening to topics proposed by other PC members and perhaps helping shape them in terms of a broader tax context. What appear as problems in a small corner of the Tax World may be indicative of issues that appear in the larger scheme.
The fringe benefits of serving on the PC have decreased over the years, in part reflecting the rising costs of supporting and staging the Tax Conference, and in part because of its overflow attendance. The PC members pay for their own admissions to the Tax Conference, which help eliminate the operating deficit; the lunch meetings (held for decades first at high-end private clubs and more recently in the Committee Chairs’ office conference rooms) are no longer funded by the Conference or the University; and with overflow crowds becoming the norm, the PC members have been asked on many occasions to give up their seats so that others who have paid the same admission fee can have access to the venue’s classroom! The PC members’ three best fringe benefits, however, have not been taken away, namely (1) being “in the room” when the PC discusses potential topics, speakers, and panelists; (2) notifying a potential speaker or panelist that they have been selected by the PC of the University of Chicago Tax Conference to present a topic of importance to their peers and publish their paper nationally in TAXES, and (3) avoiding the nerve-wracking (now a mere three minute!) free-for-all to get registered (the last perhaps being the most valuable fringe of all!). Julie would add a fourth benefit: learning what (other) tax practitioners are doing in the way of sophisticated tax planning, and hearing about the problems and issues they and their clients are facing.

B. The Chairman

The PC Chairman plays a critical role in the Conference’s success. The PC provides input and advice to the Chair; however, the ultimate responsibility for the success of the Conference each year falls on the Chair, and historically the other PC members have been glad to defer to the Chair to make all final decisions (without second-guessing). The Chair has typically been a Chicago-based tax attorney who is a partner in a large law firm and hosts the in-person meetings from Chicago; in more recent years, out-of-town members have been calling in. The position is usually filled by each Chair for two or three years (covering a like number of Tax Conferences), with the longest being five years consecutively, by the first Conference Chairman, and five years non-consecutively, by Jeff Sheffield (1998–2000 and 2008–2009). No Chair (at least in recent memory) is known to have been reticent in stepping down from the task; it is a labor, albeit in hindsight one of great affection if not love. The Chair is usually appointed by the outgoing Chair, after vetting the selection with prior Chairs who still serve on the PC, and with the Law School’s Liaison on the PC. As one might imagine, the Conference Chairmanship is sometimes a daunting and difficult position, but it proves to be a rewarding experience and a great honor for a tax attorney to attain.

C. The Presenters

What comes first, the topic or the presenter? [52] At some Tax Conferences, potential presenters with ‘star power’ to draw attendees are identified, a topic is suggested, and the ‘star’ accepts the topic or negotiates a different topic that is actually presented. At the Tax Conference, the topic typically comes first, and then one or more potential presenters are identified.

Our Tax Conference presenters are aware of their obligations to submit a high-quality paper for publication. [53] In addition, presenters are required to submit a detailed draft of their papers for circulation in advance of their talks, in time sufficient for the audience members to read them prior to the talks. [54] This in turn leads to a better prepared audience for their ‘participation from the seats’, and further ratchets up the presenters’ fear factor in preparing their papers in the first place.

Presenters are forewarned about the rigors of dealing with an extroverted audience. When asked what she says when offering a prospective speaker the opportunity to speak, Conference Chair Rachel Cantor succinctly replied, “It’s a scary but engaged room. Totally worth it.” [55]

No presenter is on record as having completed their presentation and stating they had gotten in everything they wanted to cover. Presenters can look to their papers as the place where they control their content, make their observations, and state their conclusions with minimal interference from the Tax Conference or TAXES’ editors.
(The best presenters give their co-panelists and moderator the opportunity to timely review and comment on their paper.)

D. The Panelists/Commentators

Given the heavy lifting that the Tax Conference’s presenters are asked to do, it is not surprising that some who are selected to be presenters counter-offer with their serving instead as a panelist on the selected topic. All well and good; the Conference’s panelists often play a meaningful role in shaping the presenter’s views and actively participate in the focus and development of the topic and presentation.

The Tax Conference’s panels often are composed of a diverse mix of tax advisors, academics, and government officials. Unlike some other conferences, the Tax Conference today looks to the panelists not to co-present the topic but rather to comment upon and further develop, refine, or challenge the presenter’s analysis (often providing a different perspective). Indeed, since the Conference was revamped in 2003 panelists are referred to as commenters. (For ease of reference, we herein refer to those who so serve as panelists as well.) If the PC has done its job of selection of panelists properly and each Moderator has done their job of panel participation and inclusion properly, the panelists (cum speaker) will carry the topic to a point where the audience can assume the role of ad hoc panelists themselves and participate in a like fashion.

On occasion a panelist has contributed their comments in the form of a supplemental article published in TAXES that immediately follows their panel presenter’s Tax Conference paper. These add value both in providing diversity of ideas and in further fleshing out the analysis, as discussed in Part XIII.D.

E. The Moderators

The Moderators moderate, mostly in moderation. Most importantly, they act as liaison to the PC’s topic selection, shaping the topic’s development once the PC has identified the theme, the presenters, and the panelists. The moderator introduces the topic to the Conference attendees before handing it off to the speaker. During the course of their program, they attempt (sometimes successfully) to coordinate both panel and audience participation while minimizing the audience’s kidnapping of the topic.

Moderators are usually requested by the PC to act either in an “active” or in a “passive” role. A passive moderator merely acts as a master of ceremonies (or zookeeper, depending on the tenor of the particular program and its participants). An active moderator in addition acts as an additional panelist who provides supplemental comments, questions, interpretations, and views.

F. The Audience

In addition to its key human components, the Conference in more recent years has greatly benefitted from the evolution of both its format (going from “talking-head” lectures to lectures with collaborative and/or contrarian panelists, and having open mics for audience ‘participation’ (interruption) at any time) and its venue (going from office building auditoriums to hotel and club ballrooms to today’s campus lecture hall setting). We’ll discuss these additional factors later in this article, as they arose chronologically.

The size of the Tax Conference’s audiences can be quantified; the nature of the audiences can be described; the importance of the audiences to the Tax Conference’s surviving and thriving cannot be underestimated.

The Tax Conference’s attendance has varied widely over the years, from an estimated 65–70 at the inaugural (1948) Conference to 500 in 1954, to 400 or 500 as late as the 1970s, to fewer than 50 at times in the 1990s, to 130–160 following the 2003 redesign of the Conference.

By design (and for the last 20 years, by invitation) the audience is a mixture of lawyers, accountants, in-house tax counsel and tax officers, academics, and government officials.
The importance of the audience: large, in keeping the Conference going and viable; critical, in incentivizing the best available speakers and panelists to make the extra effort that makes the Conference successful; and great, in keeping the Conference programs lively, informative, and entertaining.

Diana Doyle, a past Conference Chairman, credits the audience with making the Tax Conference unique:

> The true dedication of the audience to learning (or knowing) about topics before they are presented, such that they can truly participate in an insightful manner. That is what makes us different. [62]

The play and film that best describes the Tax Conference’s audience? “Same Time, Next Year,” a story about two people (married to others) who return the same time every year to rekindle their relationship. [63] Paul Carman, who is the Conference Chairman for the upcoming 2022 (75th) Tax Conference, observes:

> One of the funny things about this conference is that people seem to sit in the same places year after year. There are no assigned seats, but people tend to gravitate back to where they were in prior years. [64]

**G. The Welcoming Speaker**

One would not think that the ‘Words of Welcome’ that kick off the Conference are a key component, but they are, both as a positive and as a negative factor. It is a (possibly unique) tradition of the Conference in recent years to have the welcome provided by someone affiliated with the University but not on the PC, and with nary a scintilla of tax expertise. [65] For example, for the past few years Law School Dean Thomas J. Miles (who has published numerous journal articles in the areas of law and economics, criminal law and judicial behavior, often with an empirical focus) has greeted the conferees with a few gracious, uplifting, and generally warm and fuzzy words (maybe more) to get things started right, but he wisely does not venture out too far on the tree of taxation’s technical limb. The lofty atmosphere created at the Conference’s opening enhances the academic setting in the Gleacher Center and can help overworked and distracted professionals, amongst others, to shut out the outside world and fully engage in the Conference topics and programs.

But on rare occasion the Welcomers … well, have made themselves unwelcome. When told their limit was 15 minutes, some thought they were an Eagle and took it to the limit; [66] when told this was an audience of tax experts, some did not mold their comments to the audience’s profile. Howard Krane, a former speaker, panelist, and PC Chair, and for many years a driving force on the PC, recounts the time the welcoming speaker was the Provost (i.e., the University’s Chief Honcho #2), who earlier had been a Professor of Anthropology and Archeology and happened to be Howard’s brother-in-law. [67] The Provost’s welcoming speech was a 15-minute soliloquy entirely devoted to anthropology and archeology, to Howard’s (and perhaps the entire audience’s) chagrin! [68]

**H. The Venue**

The room where the Tax Conference is held helps create the Conference’s atmosphere. Over its 74-year history, the Tax Conference has been held at several downtown Chicago sites, including its initial site at the University’s Downtown Center, then home of the University’s School of Business, located at 190 E. Delaware St.; a prominent office building’s cavernous auditorium (the Prudential Building’s); a hotel ballroom (the Midland Hotel’s); two private clubs’ meeting rooms (the Standard Club’s and the University Club’s); and then back again to the downtown building (the Gleacher Center) that houses the University’s Booth Graduate School of Business, its Executive M.B.A. Program, and its part-time M.B.A. Program.
In some years more than 500 attended the Conference: first in 1954 (contemporaneous with the passage of the 1954 Code) and in some later years, at the Prudential Building Auditorium (the Conference’s largest venue). The first Tax Conference program I attended was in 1973 at the Prudential.

The 22-story Midland building, at 172 W. Adams St., opened in 1930 to house the private Midland Club for businessmen. After the Club failed during the Great Depression, the building, featuring Beaux-Arts architecture, became a hotel. The Midland’s ballroom brought back unpleasant memories to me as a speaker and attendee at the Tax Conference: there, in the Summer of 1974, as a freshly minted graduate of the Law School, I took half-day sessions of the review course for the Illinois bar examination.

The Standard Club, founded in 1869 as a club for German Jews, was housed in a 13-story building at 320 S. Plymouth Court in Chicago’s southern Loop. The Club had at least one connection with the founding of the Tax Conference, most likely not previously identified: one of the Club’s most famous members was Julius Rosenwald (1862–1932), a businessman, civic leader, philanthropist, and part-owner and leader of Sears, Roebuck & Co.; years later, a Sears employee played a historic role in the Tax Conference, as discussed in Part V.D. of this article.

The University Club, founded in 1887 (and thus pre-dating by five years the establishment of the University of Chicago, for whom it is not named), is located at 76 E. Monroe St. Its building, a historic landmark completed in 1909, arguably is the first “gothic skyscraper.” The University Club was chartered by a group of college friends, principally alumni of Harvard, Yale, and Princeton, who hoped to further their collegial ties and enjoy intellectual pursuits. (The Tax Conference met both objectives.) Though no fault of its own, the University Club hosted some conferences where the Conference attendance had nosedived to mere dozens. The Tax Conference has seen a return to full-capacity audiences at the Gleacher Center in its 134-seat main floor classroom, as discussed in Part IV.C.

IV. The Tax Conference/ TAXES Connection: A Key to Success, Then Near Failure, and Then Success Again

A. The Good Times

The Tax Conference has been supported from almost the very beginning by TAXES’ publication of the Conference’s proceedings (at no charge to the Law School or the Conference). Ironically, it also nearly died due (in no small part) to TAXES’ publication of the Conference’s proceedings, as discussed herein. How did the symbiotic arrangement come about? I regret not having discussed this important aspect of the relationship with Wally. Not surprisingly, it turns out to have been Wally’s innovation. Self-described as one of the oldest and most popular tax journals, TAXES was first published in 1923; it is unlikely, though not inconceivable (knowing him), that little (5-year-old) Wally Blum began reading it then. Howard Krane’s 1988 article on Wally and the Tax Conference reveals that Wally “had in 1948 persuaded TAXES Magazine to devote its entire December issue to the Tax Conference.” The benefits immediately proved to be mutual; Krane observed TAXES’ December issue “has become its most popular and well-read issue.” And to this day, TAXES rightfully trumpets its “Special Conference issues,” noting its exclusive publication each year in the special March issue “the papers and panel discussions presented at the prestigious University of Chicago Law School’s Annual Federal Tax Conference.”

What did Wally do to make the TAXES/Tax Conference relationship so powerful? Krane observed in 1988 that through the Tax Conference Wally created a mechanism for a thoughtful and practical analysis of the tax law, supported by an annual publication, that called attention to the problems, weaknesses, flaws, and loopholes present in the Code and the developing law.
today: “the Tax Conference, because of its prestige and the wide circulation of the annual collection of its papers in TAXES, has been a substantial and powerful influence.” [80]

Publication of the papers did much good for the Conference on a practical level as well. First, the speakers from year 2 have known they cannot merely speculate and pontificate, since accepting the role of speaker requires submitting the underlying paper for publication. Second, the publication disseminates each year’s Conference to a much broader group than its ‘in-person’ attendees. This in turn helps the Conference continue to attract top talent to act as speakers and panelists.

Third, the publication also has the salutary effect of raising the level of the presentations. As Howard Krane observed, “Speakers’ words and thoughts are not just spoken and forgotten; rather, they are published for all the Tax World to read and to challenge.” [81]

B. The Bad Times

Yet, in later years, TAXES’ publication of the Conference papers contributed to its near demise—because the publication was too good. What was the problem? The Tax Conference traditionally was held in the month of October; the presenters were provided a week or so thereafter to incorporate into their final versions any revisions and additions that derived from their in-person presentations and then to submit their articles to the TAXES crew for editing and publication. The December issue of TAXES, being dedicated to the Tax Conference papers (and historically having no other substantive tax articles), was scheduled to arrive before (hopefully well before) Christmas so that TAXES’ thousands of subscribers could read all or a portion of the issue during Christmas break. [82]

The Tax World became more complex and the professions of law and accounting became the businesses of law and accounting, with ever-increasing pressures to address clients’ expanding needs in real time (not in due course). Attending up to 18 specialized, highly sophisticated presentations in diverse areas of the Tax World over three solid days became difficult for many Tax Conference attendees and potential attendees. Stagnant attendance numbers would have been fine; even slight decreases in revenues would be tolerable, as the PC members were asked to subsidize the shortfalls and the Law School contributed administrative personnel and support to assist in many aspects of the Conference. But Conference attendance trended down and cumulatively suffered an alarming decrease.

What has that got to do with TAXES? Word reached the PC that a number of non-registrants (including former attendees) and no-shows (who paid the then-nominal registration fee, but then showed up to few, if any, presentations) said in effect, “I’ll skip attending the Tax Conference this year; I can always read the papers a couple of months later in TAXES, anyway.”

The PC came to realize we were competing with ourselves! The accessibility of our presenters’ papers in final, published form so soon after their presentations—regardless of attendance—made it easier for the attendees to skip substantial portions of the Conference and for prospective attendees to skip attending the Conference altogether. [83] In effect, the Conference was dying in large part because the papers were so good, so timely, and so available!

The blame did not lie solely with the success of the Conference papers’ publications in TAXES, of course. If the Conference provided the proper product, the attendance would increase—no need to appoint a University of Chicago Nobel Prize-winning Professor of Economics to the PC to bring that point home. And measuring the Tax Conference against the increasing number of other tax conferences and institutes—some geared more to the masses, others targeted for lawyers and accountants working in a particular industry group’s space—proved challenging. Most (if not nearly all) of those other tax conferences were being offered in states that (unlike Illinois, which came very late to the game in 2006) [84] had ongoing mandatory continuing legal education (CLE) requirements—a significant factor for licensed attorneys in selecting which conference(s) to attend. (There is only a finite number of tax conferences and programs one can attend while still attending to clients’ needs and...
firms’ demands.) Additionally, as former Conference Chairman Jeff Sheffield recently observed, the tax bar is not large in Chicago; you need a good number of tax accountants to show up. The proliferation of tax conferences as a practical matter precludes the Tax Conference from returning to its historic high numbers, and the ever-increasing number of industry-based conferences and those offered by tax specialty groups further drew potential attendees away. We could blame it on Chicago’s weather, blame it on the bossa nova, or blame it on the burgeoning billable hour requirements imposed by law and accounting firms on their professionals. All of these factors (other than the bossa nova) put our Tax Conference at a further competitive disadvantage to out-of-state tax institutes and programs, and local and national industry/tax specialty conferences.

The situation hit bedrock the year in which Conference programs had audiences that appeared to have more government, i.e., Internal Revenue Service (IRS; local, regional, and national), Treasury Department, and Illinois Department of Revenue, attendees than practitioners. In the years leading up to and including that year, out-of-town presenters and panelists who had not recently presented here uniformly voiced their shock that this highly vaunted Tax Conference, whose papers were nationally recognized, respected, and referenced, drew only dozens rather than several hundreds.

C. The PC Shoots Its Shot

With Conference attendance about to lose its critical mass, the PC for the 2003 Tax Conference, under the stewardship of Chairman Robert (Bob) Wootton, took radical steps to redesign, reformulate, and rebrand the Tax Conference, in what was a last-gasp effort to save the Conference. First, the Conference was transformed into an “invitational only” conference; attendance was no longer open to the uninvited general public. To paraphrase an unknown Chicago political patronage hack, the Conference effectively adopted the philosophy of, “We don’t want nobody that nobody sent.” For a tax practitioner (lawyer, accountant, or in-house tax officer), academic, or government official to attend, they first had to be invited by the PC.

And those invitations are finite in number. Each year, after taking into consideration the ‘automatic’ invitees (i.e., the presenters, panelists, moderators, and PC members), the PC invites enough to assure full capacity and to keep the registration in high demand, but strives not to invite so many as to start a revolution because of the extraordinarily excessive demand. (Excessive demand can be a good thing—it breeds exclusivity, increases revenues, and better assures the ‘lucky’ registrants will show up. Extraordinarily excessive demand is bad—it leads to anger and displaced aggression.)

Second, after half a century the Conference was now meeting in an academic setting (at the Gleacher Center). In lieu of a hotel or club ballroom or office building auditorium, a large classroom (fire code seating capacity: 134) with no windows but with good supporting facilities and adjoining space to greet, mingle, and converse before and after the sessions was identified in downtown Chicago.

Third, over time, the Conference length was shortened from 3 days to 1 ½, while the individual topics/panels were lengthened to be approximately 90 minutes rather than 50. As a result, six programs are presented, rather than as many as 18. This in turn has led to a sharpening in the focus of presentations, with more in-depth analysis, more time to think, and more time for panel and audience discussion.

Fourth, the classroom’s layout (a six-tier semi-amphitheater, with oversized, comfortable rolling chairs but minimal room for passage when occupied) precludes setting up a couple of standing microphones for audience members to approach. Instead, the Conference furnishes one or two relatively youthful runners who, upon hearing a voice interrupting the panelists below, frantically race up and down the stairs with portable, cordless mics to ensure that every commenter can be heard. (That the runners, once their sonar identifies the location of the audience interrupter, usually arrive near-breathless in the commenter’s vicinity three seconds before the commenter completes their colloquy, only to have their outstretched microphones ignored by the commenter, makes for visually comedic Chaplinesque scenes that also serve as a proxy for the audience’s exercising in place during that extended session.)
Importantly, these changes were designed to facilitate much greater audience participation, throughout the time allotted for the presentation. That is not to say the audience was asleep or unengaged. Indeed, Howard Krane's 1988 Law Review article points out that at each Conference, sessions concluded with a panel discussion in which the participants, and the audience, challenged, debated, and explored the subjects presented. And it had long been a Conference objective to encourage audience participation in the form of questions, but earlier audiences tended not to interrupt the presenter (almost from the get-go), in a manner similar to the way the U.S. Supreme Court Justices work, or to provide their answers to their own or others’ questions. And the quality of the audience's questions and observations hopefully would reflect all parties present having more time to think, analyze, and discuss.

D. If You Build It, Will They Come?

But would the audience return? Would new attendees sign up and would former attendees re-enlist? And if so, would they come back in sufficient numbers so that the mere size of the classroom would not cause empty seats to dwarf the number of those attending, making a modest increase in attendance look like a failure?

Yes, yes, and yes. In "Field of Dreams," Terrence Mann (portrayed by James Earl Jones) got it right, when he told Ray Kinsella (Kevin Costner): “Ray, if you build it, they will come." Was it Wally whose voice the 2003 PC members miraculously heard, saying, “If you rebuild it, they will come”?

If it wasn't his voice, it surely was his influence. As first publicly revealed in 2019, Bob Wootton, the Tax Conference Chair during the 2003 transition period, shared the below insight about the resuscitation of the Conference:

> Walter not only nurtured the Conference while he was alive, but saved it after he had left us. When Bob Aland threw down the challenge to the Planning Committee to re-make the conference or watch it die a slow death, we all contributed what we could to the effort. The key, I've always thought, was the turnout of notable tax academics and practitioners for the first conference in the new format. The sign-up, you may recall, was meager at first. I was panicking. Then the big names started coming in. At that first conference, I asked Peter Canellos about it. He told me he was there for Wally, to support his conference. Several others said the same. Their names on the attendee list (and word of mouth) burnished the reputation of the reformatted conference and encouraged others to come the next year. The rest, as they say, is history. There probably wouldn't have been a second conference in that format unless the first had worked. There wouldn't have been a successful first without Wally cheerleading from upstairs.

In the same vein, Faculty Advisor and PC member Julie Roin successfully recruited respected and renowned Harvard Law Professor Alvin C. Warren, Jr., who was a Law School alumnus, almost certainly a student of Wally (Class of 1969) and a previous Conference presenter 22 years earlier. His (most welcome) presence and presentation were seen as a strong endorsement of the revitalized Conference in its new format. And Professor Warren’s commenter, Michael Schler (no slouch himself), has proven to be a highly respected, energetic, and ever-present participant in an audience of participants.

And in a matter of a few years, they came in ever-increasing numbers, until the Conference’s classroom ran over with registrants. Indeed, the PC Chair annually oversees a waiting list, and those who need to cancel their registration during the days preceding the Conference cheerily receive refunds because there are others waiting hopefully to take their place.

But if you asked then PC Chair Robert (Bob) Wootton for his opinion in early 2003 as to whether the new format would work, he likely would have opined there was a reasonable basis to believe it would, but clearly no
substantial authority then existed as to whether in fact it would work. To give a “will” opinion (i.e., that the new format will rescue the Conference from its near-certain cancellation) would be unsupportable and surely subject to the death penalty (i.e., death of the Conference) if ultimately proven wrong.

And so the Tax Conference was (once again) saved from cancellation. Next, let’s move forward by going back to the beginning of the Conference, before it was solely sponsored by The Law School and before it was hatched.

V. 1948—Welcome to … the First University of Chicago Institute on Federal Taxation (Huh?)

By design and from its creation 120 years ago (in 1902), the Law School was meant to be more than a training institution for admission to the bar. An education in law, according to William Rainey Harper, the first president of the University, implies a scientific knowledge of law and of legal and juristic methods. In turn, “[a] scientific study of law involves the related sciences of history, economics, philosophy - the whole field of man as a social being.” Consequently, the Law School was not to be an institution that had a merely nominal connection with the University; President Harper felt it should be an organic part of the University, in close touch with the other divisions, embodying the spirit and purpose of University life and, in turn, contributing to that life.

The University of Chicago (even 75 years ago) placed a strong educational emphasis on inter-disciplinary studies and the resulting evolution of knowledge, thinking, and analysis. If Star Trek’s Spock had beamed down to Chicago’s campus (StarDate: 1947), he would have been in his element, administering Vulcan Mind-Melds to faculty and students alike to merge the disciplines of law and economics. In that vein, at the time the Tax Conference was in its embryonic stage, the Law School curriculum already emphasized the interrelationship of taxation with economic and fiscal policy, making Law 510e—“Taxation” the fourth and last essential building block in the “Law 510—Law and Economic Organization” block of classes.

With that background of inter-disciplinary study in mind, it was only logical that the Law School create the Tax Conference and that its young rising tax star, Assistant Professor Wally Blum, be tasked with making it come to life and grow to be what it ultimately became. Indeed, Wally’s University-published obituary credits him with designing the Tax Conference.

But that’s not exactly how it went down.

Urban legends, even in a city with Midwestern sensibilities like Chicago, die hard. Mrs. O’Leary’s cow did not start the Great Chicago Fire of 1871 by kicking down a lit lantern. And perhaps the second-greatest Chicago urban legend of them all—that Wally Blum envisioned, created, planned, organized, and directed the University of Chicago Tax Conference—dies the hardest.

So here’s what really happened.

The tax conference was the brainchild of a Sears, Roebuck tax executive.

If Wally designed or planned it, he did it from a backseat perch. He wasn’t on the inaugural PC.

It wasn’t initially called the University of Chicago Law School Tax Conference.

It wasn’t run by the Law School.

The Law School received no institutional credit or public recognition for the first Tax Conference.

No one from the Law School was on the inaugural PC.

The conference’s Executive Director was a part-time lecturer in the School of Business.

The only full-time faculty member on the inaugural PC was a Professor of Economics and Political Science from the School of Business.
So welcome to the first University of Chicago Institute on Federal Taxation, as that inaugural tax conference was called. Our story continues after we set the table with what was happening back in 1948 in the Real World, the Tax World, and Wally’s World.

A. What Was Then Going On in the Real World

In 1948, Mahatma Gandhi was assassinated by a Hindu extremist. Israel was declared an independent state. The U.S. Congress ratified the Marshall Plan. Harry Truman was re-elected President in an upset over Thomas E. Dewey. The transistor was invented. The first computer program was written. Products introduced in 1948 included Cheetos, Dial Soap, frisbees, Reddi-Wip, ruffles, polaroid land cameras, and Tupperware. The yearly inflation rate was 7.7%. The Dow Jones Industrial average finished the year at 177.30.

B. What Was Then Going On in the Tax World

The top marginal federal individual income tax rate was a mind-boggling 82.13%. What we now know as the Internal Revenue Service (IRS) was then called the Bureau of Internal Revenue. The federal tax statute was known as The Internal Revenue Code of 1939 and was just over 500 pages in length. The Revenue Act of 1948 reduced individual income tax rates by 5–13%; it for the first time permitted married couples (as “joint filers”) to split their incomes for tax purposes, and provided an additional exemption for taxpayers age 65 and over.

C. What Was Then Going On in Wally’s World

When Wally Blum enrolled in the Law School at age 19, he had already spent 15 years at the University of Chicago as a student in its Laboratory Schools and College. He graduated from the Law School at age 22 in 1941 first in his class, and as Editor-in-Chief of the Law Review. Following graduation, he served in the Office of the General Counsel of the Office of Price Administration. From 1943 to 1946 he served in the military. In the fall of 1946 Wally came back to The Law School, as an Assistant Professor of Law. In 1948, the year the Tax Conference began, 30-year-old Wally Blum was co-teaching Law 510e—the only tax course in the Law School—and two other classes.

D. What Was Then Going On in the Tax Conference World

At the time the Tax Conference was moving towards launch, there were few notable national tax conferences. One highly regarded program, self-described as being designed to provide the practitioner who frequently handles federal tax matters with “high-level updates, practical advice you can implement, and in-depth analysis of the latest trends and developments from leading experts”, was (and is) that by the New York University’s Institute on Federal Taxation. In November 2021, the NYU Tax Institute, held its 80th annual program (by Zoom, for the second successive year).

A few other long-running tax institutes of national or regional repute started soon after the Chicago Tax Conference launched. The University of Southern California’s Tax Institute started in 1949; the Tulane Tax Institute commenced in 1951. (I am unaware of any others having roots pre-dating Chicago’s.)

So exactly how did the Tax Conference originate, and who did what? The answers can be found in a contemporary (i.e., 1948) 172-page booklet called “Some Problems in Federal Taxation,” edited by Royal S. Van de Woestyne, Director of Business Studies, at the Downtown Center, University College. Mr. Van de Woestyné wrote in the booklet’s "Foreword":

The chapters of this volume were read before the first Institute on Federal Taxation conducted by the School of Business of the University of Chicago and the Downtown Center of University College.
in five weekly sessions from October 14 to November 10, 1948. They deal with some of the more important current problems encountered in Federal tax practice.

This is intended to be the first of a series of volumes treating still other problems in the same field, to appear annually as the product of similar institutes or seminars conducted by the School of Business and the Downtown Center of the University.

The originating suggestion for the Institute came from Mr. Robert P. Jorgensen, Manager, Income Tax Division, Sears, Roebuck and Company. As Chairman of the Planning Committee for the Institute, Mr. Jorgensen played the major part in organizing the program and guiding it successfully. Much credit is due also to members of the Planning Committee: Roy Blough, Professor of Economics and Political Science, University of Chicago; Henry T. Chamberlain, C.P.A., Touche, Niven, Bailey, and Smart; Frederick O. Graves, Attorney, Miller and Chevalier; and C.F. Chizek, C.P.A., Professorial Lecturer, School of Business, University of Chicago, and Executive Director of the Institute.

Who were these original members of the PC, and why were they selected to fill that role? Thanks largely to online resources, I obtained enough information to create thumbnail sketches of the 1948 PC crew:

**Robert P. Jorgensen**, PC Chairman. Mr. Jorgensen was a University alumnus (Class of 1932) who was appointed General Manager of Sears’ Tax Department in 1953. What was his connection to the University? Starting in 1947 (the year before he originated the first Institute on Federal Taxation), Mr. Jorgensen lectured on taxation at the University. He served on the PC from 1948 to 1975 (the 28th Conference), the longest of any of the original PC members. After retiring from Sears, he briefly was affiliated with the firm of O’Keefe, Ashenden, O’Brien, Hanson & Lyons. [113]

**C.F. Chizek**, Executive Director. It turns out C.F. Chizek, part-time lecturer and later an Associate Professor of Accounting in the School of Business, was none other than Cletus (Clete) Chizek, who earlier was the co-founder of the South Bend, Indiana CPA firm of Crowe Chizek, known more recently as Crowe LLP.

**Henry T. Chamberlain**, CPA. Around this time, a Henry T. Chamberlain was the Dean of the School of Commerce, Loyola University of Chicago, and co-author of the textbook “CPA Coaching Course.” He was on the editorial board (Professional Examinations Department) of *The Accounting Review*, published by the American Accounting Association. [114]

**Frederick O. Graves**, Attorney. Graves was a longtime member of the Washington, D.C. law firm of Miller & Chevalier. He was a prominent tax, administrative, and appellate litigator, listed in “Eminent Judges and Lawyers of the American Bar, 1951.” He was counsel of record on several reported tax cases.

**Roy Blough**, Professor of Economics and Political Science at the University’s School of Business, 1946–1950. Why was Professor Blough involved with a tax conference, and why did he serve on its PC? His *curriculum vitae* provides a clue. From 1938 to 1946, Professor Blough was Director of Tax Research at the U.S. Treasury Department and Assistant to the Secretary of the Treasury. [115]

And what was Assistant Professor Wally’s connection to (full) Professor Roy, who was *not* of the Law School? How did they even know of each other? We find a prominent clue in the Law School’s class offerings catalogs for 1947–1949: Brothers Blum and Blough were co-teaching Law 510e—the sole Taxation course then offered in the Law School! [116]

After his stint at the University, Professor Blough played major roles in the Truman Administration and at the United Nations, and later taught at Columbia for the remainder of his professional career. [117] Quite the resume for a former tax teacher at the Law School and PC member!

In summary, two members of the first Tax Conference’s PC had teaching connections with the University: Roy Blough, Professor of Economics and Political Science, and C.F. Chizek, Professional Lecturer in the University’s School of Business. Mr. Chizek also served as Executive Director of the Tax Institute for its inaugural year. [118]
Approximately 65–70 tax practitioners gathered at the University’s downtown campus to attend what one commentator described 40 years later as the first annual Federal Tax Conference of the University of Chicago. The program was broken into five basic areas: Accounting and Related Problems; Compensation; Legislation and the Judiciary; Problems in Corporate Planning; and Procedure. According to one non-contemporaneous account, the program was sponsored by both The Law School and the Business School of the University of Chicago.

Wally participated in Chicago’s inaugural tax institute by chairing the Conference’s session on “Legislation and the Judiciary.” Of the 13 presenters who submitted papers, six were practicing accountants and seven were practicing attorneys. Almost all were Chicago-based. Four of the 13 had prior experience with the IRS’s Chief Counsel Office, Treasury, or Joint Committee on Internal Revenue. Two were name partners at their firms (Charles Melvoin of Attschuler, Melvoin & Glasser, CPAs, and Edward H. McDermott, of McDermott, Will & Emery). None were members of the inaugural Planning Committee. (However, one of the speakers was the General Manager of the Tax Department at Sears. Perhaps by coincidence (perhaps not), the Chairman of the Conference was a Manager of the Income Tax Division at Sears. Five years later, the Conference Chairman became the General Manager of the Tax Department at Sears. Good things happen to people who serve on the Planning Committee!)

VI. 1949—The Second Tax Conference (or Was It the First?); Wally Blum Joins the PC (and Redesigns the Conference?)

A. The Real World

In 1949, the Communist forces gained power in China; nationalists fled to Taiwan. NATO was established. The Soviet Union detonated its first atomic bomb. Meryl Streep, Billy Joel, Richard Gere (fast company!), and I were born. Products introduced in 1949 included 45-rpm records, silly putty, hedge funds, Legos, photocopiers, whoppers, Jolly Ranchers, and Junior Mints. The yearly inflation rate was –1%. The Dow Jones Industrial average finished the year at 200.13.

B. The Tax World

There may have been a lot going on in the Tax World in 1949, but it is hard to prove it today. The U.S. Supreme Court issued a landmark opinion on what constituted a partnership for tax purposes. The top marginal federal individual income tax rate remained 82.13%.


Not to overemphasize Baker & McKenzie’s role in the Tax Conference: in its first 30 years, the Tax Conference rarely had papers that covered international tax aspects. Some of the PC members did not appreciate international tax as a topic other than transfer pricing audits, certainly not something of intellectual interest worthy of analytic efforts. Longtime PC Member and Conference Chairman Bob Aland of Baker forcefully and ultimately successfully argued to the contrary.

C. Wally’s World

In 1949, Wally began his fourth year of teaching at the Law School and was promoted to Associate Professor.

D. The Tax Conference World
In the conference’s second year several significant changes occurred. The program was now referred to as lectures from The University of Chicago Second Annual Federal Tax Conference; it was no longer called the Institute on Federal Taxation (thereby distinguishing itself from the NYU Institute of that name). Mr. Jorgensen, the tax honcho from Sears, remained the Chairman of the PC, but its composition changed dramatically: it now comprised 11 (up from 7) members, and three were from the University: Roy Blough, from the School of Business; Royal S. Van de Woestyne, Director of Business Studies; and Wally Blum from the Law School. The lectures were conducted in Chicago for three successive, full days in early November 1949 (rather than in five weekly segments). And perhaps most importantly, 16 papers were published in the December 1949 issue of TAXES—the first year the magazine published the Conference presentations. 

The Conference program again was conducted by the School of Business and the Downtown Center of the University to make available a lecture series on a reasonably high level for attorneys, accountants, and business executives who are devoting a substantial amount of their time to tax work. Once again, no mention of the Law School as a co-sponsor appears in TAXES’ publication of the Conference papers.

Topics at the 1949 Tax Conference covered a wide range of tax subjects dealing with individual, partnership, corporate, estate, and trust taxation. Titles that sound relevant today include “Some Problems in Combining and Dividing Existing Corporate Businesses,” “Problems in Buying and Selling Patents and Trade-Marks,” and “Liquidating Distributions by Corporations Preceding Sale of Assets.”

VII. The 1950s—Goodbye 1939 Code, Hello, 1954!

A. The Real World

Spotlight on 1954: Mass vaccination of children against polio begins, as does Elvis Presley’s music career. Brown v. Board of Education makes segregation in U.S. Public Schools unconstitutional. Sen. Joseph McCarthy (R-WI) is censured, effectively ending his Communists’ witch hunt. Ellis Island closes as a point of immigration. The yearly inflation rate was 0.3%. The Down Jones Industrials closed at 404.39. In Vietnam, the First Indo-China War ends. Products developed include Chiffon margarine, Rolaids, transistor radios, Trix cereal, Winston cigarettes, and Jotter retracting refillable ballpoint pens.

B. The Tax World

The Federal Tax Code was reformulated as the Internal Revenue Code of 1954. That year the top marginal federal individual income tax rate was a near-confiscatory 91%.

C. Wally’s World

Wally and Law School colleague Professor Harry Kalven published in the Law Review a controversial and well-received paper that became assigned reading to many students: The Uneasy Case for Progressive Taxation. It has been described as an essay in law, public finance, welfare economics, childcare, and the use of baseball-as-a-metaphor that has no rival for scope and quality in the federal tax field. In 1995 it was said to be widely regarded as the most penetrating single critique of income taxation in the area of tax policy. Oh, I almost forgot—in 1953, Wally was promoted to full Professor.

D. The Tax Conference World

The 3rd Annual Tax Conference, held during November 1–3, 1950, was sponsored by the business and law schools and the University College. Edward H. Levi, Law School Dean, opened the three-day conference, as reported in an eight-line obscure article buried at the bottom of page 4 in the Chicago Maroon, the University’s student newspaper, on October 27, 1950. What’s noteworthy: it mentions the Conference was being held that
year at the Western Society of Engineers, 84 E. Randolph St., in downtown Chicago. (Publication deadlines preclude me from digging deeper than that!)

The 4th Annual Federal Tax Conference, held in 1951, was "sponsored by the Law School in co-operation with The School of Business and University College." [131] Sears’ Robert R. Jorgensen remained the Conference Chairman. PC members included Wally and, from The School of Business, Mr. Van de Woestyne. Wally, who had been promoted to Associate Professor of Law, chaired the Conference’s closing session on tax problems of investors.

Based on attendance alone, the 4th Tax Conference was another smashing success. The three-day conference was the fourth successive complete sellout. With participants coming from all over the country “and a demand for tickets continuing long after the supply was exhausted,” the PC felt the need to provide larger accommodations in future years. [132] The conference’s big topic? The revision of the Excess Profits Tax Act and the Revenue Act of 1951.

The 5th and 6th Conferences were each larger than the last, with a capacity audience reported present at each session. A highlight of the 5th (1952) Tax Conference was Randolph Paul’s discussion of “Directions in Which Tax Policy and Law Have Been Moving.” [133] At the 6th Conference, held in late October 1953, Stanley S. Surrey, Professor of Law at Harvard and Chief Reporter of the proposed new Income Tax Code (which was enacted the following year), reviewed “The American Law Institute's Proposed Income Tax Statute.” [134]

Wally and Assistant Dean James M. Ratcliffe represented the Law School on the PC for the 6th Conference, which again was under the sponsorship of the Law School in collaboration with the School of Business and University College. [135] However, at the 7th Annual Federal Tax Conference, the Law School was listed as a sponsor solely “in association with University College;” the School of Business was listed no more. [136] The 10-member PC consisted of the new Conference Chairman William B. McSwain (the first lawyer to helm the PC), six other practitioners from law and accounting firms, past Chair Jorgensen (from Sears), and two members of the Law School—Wally and Assistant Dean James M. Ratcliffe. [137]

The implications of the newly enacted Internal Revenue Code were the topic of several discussions at the 1954 Conference. The three-day meeting was reported to be “much the largest in the history of the conference, with enrollment reaching approximately five hundred.” [138] About half of those in attendance were from metropolitan Chicago, with the remainder drawn from all parts of the United States.

The 1954 Conference concluded with a round table, which considered selected problems of tax law submitted by those in attendance at the Conference—a “stump the stars” panel of sorts. Wally chaired the panel, which was composed of 7 of the 10 PC members (including Wally).

The ninth Conference held in 1956 attracted an audience of more than 400. The Conference Chairman of the 12-member PC was Chicago attorney William N. Haddad of Bell, Boyd, Marshall and Lloyd; Bill was the earliest serving Chair that I had the privilege to work with when I joined the PC 28 years later. The program opened with welcoming remarks by the Chairman of the Board of Trustees of the University of Chicago, Glen A. Lloyd, of the Chicago law firm of Bell, Boyd, Marshall and Lloyd (which would later come to be known as Bell, Boyd, Lloyd, Haddad, and Burns), [139] followed by an address by Hon. Russell C. Harrington, United States Commissioner of Internal Revenue, entitled "Maintaining an Effective Internal Revenue Service." [140] The Conference included a mock trial designed to illustrate the tax litigation procedure. The subject matter was “The Penalty Surtax on Unreasonable Corporate Accumulations,” a/k/a the accumulated earnings tax. The trial was presided over by U.S. Tax Court Judge Allin Pierce; the taxpayer counsel was Chicago practitioner Francis H. Uriell of the Pope and Ballard law firm, and the Government Counsel was the IRS’ Assistant Regional Counsel (Detroit) Abraham J. Friedman. (History does not record who won the trial.) [141]
But wait, there was more! Yale Law Professor Boris I. Bittker presented a paper on “Tax Consequences of Thin Incorporations,” which was followed by a panel discussion. Indeed, several of the papers presented at the three-day conference were followed by panels stocked (pun intended) with leading tax practitioners.

The 11th Tax Conference, described as being sponsored by the Law School for the 11th successive year (tsk-tsk), was held in October 1958 in the auditorium of the Prudential Building in downtown Chicago. That building, located near the Lake Michigan shore and opened on December 8, 1955, was then Chicago’s tallest, rising to a height of 601 feet, with a TV mast and antenna that makes the overall height of the building 925 feet. Its immense auditorium (capacity: over 1,000 seats!) housed “450 lawyers, tax accountants, corporate executives who work with tax problems, and representatives of the Internal Revenue Service” who attended the Conference. (How the Conference found itself to be at the Prudential Building is a story yet to be unearthed from the Law School archives; that will be for another day.) William M. Emery of McDermott, Will and Emery was the Chairman of the now-13-member PC. Keynote speaker IRS Chief Counsel Arch Cantrall addressed the crowd on “The Activities and Interests of the Chief Counsel.”

VIII. The 1960s—Tax Rates Dive, The Conference Continues to Thrive

A. The Real World

Spotlight on 1969: Astronaut Neil Armstrong becomes the first human to set foot on the Moon. The Woodstock Music Festival takes place on a New York farm. 250,000 march on Washington, D.C. to protest the Vietnam War. The first draft lottery is held to determine the draft order for the Vietnam War. The Public Broadcasting Service (PBS) is established. Products developed include Hawaiian Tropic suntan lotion, frosted mini-wheats, Adidas Superstar athletic shoes, glue sticks, Orrville Redenbacher’s popcorn, and Tic Tacs. The yearly inflation rate was 5.5%. The Dow Jones Industrial average finished the year at 800.36.

B. The Tax World

The Revenue Act of 1964, signed into law by President Lyndon Johnson, contained the tax code changes generally referred to as the “Kennedy tax cuts.” President Kennedy had emphasized the need for tax reform in his 1963 State of the Union address:

….. [O]ne step, above all, is essential—the enactment this year of a substantial reduction and revision in Federal income taxes.

For it is increasingly clear—to those in Government, business, and labor who are responsible for our economy's success—that our obsolete tax system exerts too heavy a drag on private purchasing power, profits, and employment. Designed to check inflation in earlier years, it now checks growth instead. It discourages extra effort and risk. It distorts the use of resources. It invites recurrent recessions, depresses our Federal revenues, and causes chronic budget deficits.

The 1964 Act reduced federal individual income tax rates (the top marginal rate dropped from 91% to 70%) and corporate tax rates (the top rate decreased from 52% to 48%).

The top marginal federal individual income tax rate in 1969 was 77%.

The Tax Reform Act of 1969, signed by President Richard Nixon, created the Alternative Minimum Tax (set at 10%), which was intended to tax high-income earners (individuals and corporations) who had previously avoided incurring tax liability due to various exemptions and deductions. The Act also repealed the investment tax credit, temporarily extended the income tax surcharge at a 5% annual rate (through 6/30/70), and lowered the maximum tax rate on earned income from 70% to 50%.
It seems strange today to recollect a Democratic president (LBJ, stepping in for JFK) who imposed large income tax cuts at the top marginal rates, followed by a Republican president (Nixon) who imposed new (AMT) taxes on high-income earners.

C. Wally’s World

In 1965, Wally completed 20 years of teaching tax classes at the Law School.

D. The Tax Conference World

Another Wally innovation for the Tax Conference: Starting in 1964 and for at least a quarter century, an important tax official opened the Conference with a presentation. Almost every Commissioner of Internal Revenue, Chief Counsel of the IRS, and Assistant Secretary of the Treasury for Tax Policy participated in the Conference during that period. [146]

The Tax Conference continued chugging along during the 1960s, with the Conference being held each year in the Prudential Building Auditorium in late October and attracting in excess of 500 participants in some years. Conference participants for the 1965 (17th) Annual Tax Conference held at the Prudential Building paid a $75 registration fee for the three-day event. [147]

The PC for the 18th Conference, held in 1965, consisted of 17 lawyers and accountants, including its two long-standing Law School representatives (Wally and Assistant Dean Radcliffe). [148]

IX. The 1970s—The Tax Reform Era Begins in Earnest

A. The Real World

Spotlight on 1976: Apple Computer Company is formed by Steves Job and Wozniak. The tallest free-standing structure in the world, Toronto’s CN Tower (1,815 feet), is completed. The first “Rocky” film is released. The US Spacecrafts Viking I and Viking II land safely on Mars. The first commercial transatlantic Concorde Flights take off. The United States celebrates its bicentennial. The world’s first recorded Ebola virus epidemic begins in Sudan. Products developed include the first laser printer (introduced by IBM), the first ink jet printer, and 5 ¼-inch floppy disks. The yearly inflation rate was 5.7%. The Dow Jones Industrial average finished the year at 1,004.65.

B. The Tax World

Tax-favored investments, a/k/a tax shelters—a tool best toggled by top-bracket taxpayers in earlier times—became available to a much broader tier of the upper class. Not coincidentally, the Tax Reform Act of 1976 was enacted, becoming the first of many to attempt to shut shelters down. The 1976 Act’s bite proved not to be fatal to the marketers of tax shelters. Predictions of the demise of the tax law profession arising from the 1976 Act proved, like Mark Twain’s death as first announced, to have been greatly exaggerated. [149] The top marginal federal individual income tax rate in 1976 was 50%.

C. Wally’s World

In 1975, Wally completed 30 years of teaching tax classes at the Law School.

D. The Tax Conference World

At the 1977 Tax Conference, IRS Commissioner Jerome (Jerry) Kurtz, the keynote speaker, hailed the Tax Reform Act of 1976 as having made “extensive changes in the treatment of many of the most common tax shelters and resolved a number of controversial issues.” [159] Speaking one year after the legislation passed,
Commissioner Kurtz acknowledged that "[o]ne of the consequences of this legislation has been a proliferation of tax shelters in novel areas of investment," [151] which led to the IRS taking action.

On October 31, 1977, at the opening of the 30th Annual Tax Conference and with no advance fanfare, Commissioner Kurtz [152] unveiled (to the groans and consternation of some in the audience, I well remember) seven new IRS revenue rulings [153] intended to stop the stampede to tax shelters. These were promptly dubbed "the Halloween Rulings," given their date of revelation and their being all trick and no treat. There was no time or place on the Tax Conference's schedule that year to thoughtfully analyze and dissect the legal underpinnings and the uncertain scope and application of the bevy of rulings; that would have to await another day. Suffice it to say that those "in the room" at that presentation—and it was a big room [154] with several hundred tax advisors, be they lawyers, accountants, or in-house tax directors and VPs—found the Tax Conference to be the backdrop for the Service's first coordinated attack (here, via the revenue rulings route) upon (overly?) aggressive tax-favored investments.

X. The 1980s—More Tax Reforms; Wally Retires (Sort Of)

A. The Real World

Spotlight on 1986: The worst-ever nuclear disaster—Russia’s Chernobyl plant explodes. The U.S. Space Shuttle Challenger explodes shortly after launch, killing all seven astronauts. The Internet Mail Access Protocol leads to e-mail. The Human Genome Project is launched. The Chicago-based Oprah Winfrey Show debuts nationally. Smoking is banned on all public transport in the United States. Products developed include the first American Girl brand dolls, the Atari 7800 Prosystem home video game console, Wave Runner personal watercraft, Harrods’ Christmas Bears, bread machines, and A&W Cream Soda. The yearly inflation rate was 1.9%. The Dow Jones Industrial average finished the year at 1,895.95.

B. The Tax World

The Tax Reform Act of 1984 continued the Government’s attempts to eliminate perceived abuses in the federal tax laws.

The Internal Revenue Code of 1954 was renamed the Internal Revenue Code of 1986, and, when enacted, was an enormous document of more than 1,900 pages. The top marginal federal individual income tax rate in 1986 was 50%.

The Tax Reform Act of 1986, widely perceived as even more potent than its 1984 and 1976 predecessors, was signed into law by President Ronald Reagan, who coincidentally lived for about two years as a child in the University’s Hyde Park neighborhood at 832 E. 57th St.

It has been observed that Blum and Kalven’s skepticism about graduated tax rates as they expressed in The Uneasy Case for Progressive Taxation [155] remained the standard view among legal theorists until just after the progressive rate structure had been demolished by the 1986 Act. [156]

That President Reagan’s Hyde Park boyhood home was knowingly and intentionally torn down by the University in 2013 [157] should not be viewed as an act of communal revenge or anger signifying that the Tax Conference or the University favors progressivity in taxation or disagrees with tax reform.

Predictions of the demise of the tax law profession once again rose, this time at the hands of the 1986 Tax Reform Act. [158] Once again, such predictions, like the premature reporting of Mark Twain’s death, thankfully were proven to be greatly exaggerated.

C. Wally’s World
Wally formally retired from the Law School in 1988 after 59 years of affiliation with the University of Chicago as a student and a professor. The University of Chicago Law Review honored him with a four-star salute (i.e., a compendium of four ‘stars’ that had come within his orbit as students and/or fellow faculty members) in its Volume 55. As his colleague, Professor Joseph Isenbergh, wrote in his tribute to Walter, no one really expected him to stop teaching—and fortunately, he didn’t, either at the Law School or at the PC.

D. The Tax Conference World

In 1984, the PC identified a novel theme for that year’s program: “How Far Can We Go?” In exploring the outer boundaries of tax planning in various subtopics of taxation, the PC launched presentations begetting papers with enticing titles such as “Reaching for the Outer Limits in Tax Shelters: The Right Stuff or the Twilight Zone?,” “Debt/Equity Distinctions: How Far Can We Go?,” “Tax Planning for Sophisticated Charitable Transfers: The Divide Between Downright Doable and Dangerous,” and “Unwinding or Rescinding a Transaction: Good Tax Planning or Tax Fraud?.”

In 1986, the year of the enactment of the far-reaching 1986 Code, the government speaker at the Conference was the then Chief of Staff of the Joint Committee on Taxation, who was often thought to have been the principal architect of the 1986 Act.

XI. The 1990s—The End of Wally World, the End of an Era—and the End of the Conference?

A. The Real World

Spotlight on 1994: Nelson Mandela became President of South Africa. Netscape Navigator is released, quickly becoming the leading net browser. The Channel Tunnel (Chunnel) opened between England and France. O.J. Simpson fled police in a white Ford Bronco. NAFTA was signed. A new outbreak of the Ebola virus begins in Zaire, causing the highest case fatality rates of any pathogenic virus (roughly 90%). Products developed included the Nokia 2010 and 2110 mobile phones, Aquafina purified bottled water, the George Foreman Grill, Hershey’s Cookies ‘n’ Crème candy bars, Play Station video games and console, Gorilla Glue, The Simpsons Archive, and WebCrawler. The yearly inflation rate was 2.6%. The Dow Jones Industrial average finished the year at 3,834.44.

B. The Tax World

The Omnibus Budget Reconciliation Act of 1993 (OBRA) imposed new higher tax rates of 36% and 39.6% on individuals and increased the corporate tax rate to 35% on income above $10 million.

OBRA also repealed the cap on the HI tax base, so that the HI tax applies to all income, and it expanded the taxable portion of social security benefits from 50% to 85%.

The Taxpayer Relief Act of 1997 reduced capital gains tax rates from 28% and 15% to 20% and 10%, respectively, created new Roth IRAs and education IRAs, and repealed the AMT for small businesses.

C. Wally’s World

In 1994, two months after he attended parts of the 47th Annual Tax Conference that he felt up to attending, Wally passed away. There was never a discussion about renaming the Tax Conference for him; it was his Conference in the first place. As Howard Krane had observed six years earlier:
In every sense, the University of Chicago Tax Conference is The Walter Blum Tax Conference. But to say that he started it, that he nurtured it, that he oversees it, and that he has often been a speaker and a panelist is merely to scratch the surface. [167]

On Wally’s death, former IRS Commissioner and Law Professor Jerome Kurtz described Wally as “one of the great tax scholars and innovative thinkers of modern times” who “will be remembered as a pioneer in his field.” [168] University of Chicago Law School Dean Douglas Baird said, “Walter Blum will be remembered as one of the great legal scholars and teachers of the last half-century” who “gave shape to the way we think about the law of taxation, corporate reorganizations and many other fields.” [169] And in 1997, then Tax Conference Chairman Steve Bowen wrote:

Walter Blum was the head, heart, and soul of the University of Chicago Tax Conference for most of its 50 years. He may also have been the greatest teacher of tax law who ever lived. What set Walter apart was not so much his knowledge (extensive by any measure) of what the tax rules provided, as his ability to see all the rules at once and to sense how any one of them, alone or in combination with others, could be used and was likely, over the fullness of time, to evolve. His classes at the University of Chicago Law School were edifying and lively, and he worked awfully hard to make them so. But his teaching and mentoring – and his willingness to go to bat for his students – were not confined to the classroom and did not cease upon graduation. He was, for many of us, a man for all of our seasons. [170]

We should not forget Wally’s personal side, as well, exhibited throughout every tax conference but the last when his illness limited his role. He was a sociable host, always welcoming and bantering with attendees; he always wore bright (some would say, loud; all would say attention-getting) ties; and he always told terrible jokes (as this author was recently reminded by Wally’s Boswell, former Conference Chairman Howard Krane). [171]

D. The Tax Conference World

A few years after Wally’s death in December 1994, the Tax Conference came under attack from two sides—the Law School and the publisher of the Conference’s papers. Wally’s illness was not a secret among the PC members, and when the PC reconvened in early 1995 there was no doubt expressed then or thereafter at the PC level as to the ongoing viability of the Conference. Most of the members had served several if not many years, and the process of selecting topics, speakers, and panelists would not suffer unduly as a result of Wally’s death.

We did not foresee, however, that by 1998 the Law School’s Dean was of a mind to terminate the Tax Conference due in part to Wally’s death. Nor did we foresee that the parent company of TAXES’ publisher was preparing to sever its relationship with the Tax Conference for unrelated reasons.

My chairmanship of the Conference ended two months before Wally’s death, after the conclusion of the 47th annual Tax Conference (October 1994). A few years later, those unforeseen problems fell into the lap of Jeff Sheffield (Chairman, 1998–2000). As recently recounted by Jeff: [172]

Wolters Kluwer purchased Commerce Clearinghouse, Inc. (CCH), TAXES’ publisher, in 1995. Sometime thereafter (likely 1998), [173] Jeff was informed by a member of the TAXES team that a representative of management at the parent company (we’ll call him the “rep”) was questioning why TAXES was publishing the Conference’s papers. The rep had been informed and/or had concluded that the December issue of TAXES was “a lot of trouble” for CCH, so why not just stop publishing the Conference papers? In response, Jeff journeyed to
CCH’s Riverwoods headquarters to meet with the rep and try to keep CCH as the Conference’s resident *gratis* publisher (as we reminisced, and unlike me, Jeff went in through the front door, not the loading dock). [174]

The rep may have been ‘spot on’ in his evaluation that the Conference had been a lot of trouble for CCH; every year, the Conference’s 15 or so papers, many being delivered near or at the deadline, created tremendous pressures on TAXES’ team of editors to first timely and properly edit them, and then get, review, and correct galleys for publication in the December issue. Worse yet, we authors sometimes missed the deadline and further wreaked havoc with CCH’s publication schedule. However, the rep may have misunderstood the symbiotic relationship between the magazine and the Conference. Jeff informed the rep of the prestige that publishing the Conference papers brought TAXES, and moreover that *because of* the Tax Conference papers in the December issue many people subscribed to (or did not unsubscribe from) TAXES.

A resolution was reached between CCH/ TAXES and the Tax Conference. The Conference papers would be due for delivery to CCH by mid-December of each year (giving the authors a few additional weeks) and CCH would move back the month of the papers’ publication in TAXES to the following March issue, thereby giving CCH’s editorial and publication team up to an additional three months to complete their editorial chores on the Conference papers.

The downside was obvious: a presentation in late October or early November, first delivered to the editors in mid-December, and published in March, was obviously at greater risk of becoming irrelevant, erroneous, or (worse yet) pre-empted by another article, particularly if there were further developments in the applicable tax law during the 4–5-month (early November to March) period after the Conference presentation but before publication. This gap period remains an ongoing risk, but the unique nature of the Conference topics and papers has served to protect the presenters from pre-emption. (Many of my Conference papers are Exhibit A for proving that the more arcane the topic, the less the chance of pre-emption!)

Also at or around that time (1998), Jeff was informed that Law School Dean Douglas Baird thought the Tax Conference should end. Some background on Professor (and later Dean) Baird, who was on the faculty with Wally from 1980 until Wally died. Professor Baird has identified his research and teaching interests as being corporate reorganizations and contracts. [175] (Both he and Wally had strong interests in corporate reorganizations, Wally having first taught that class at the onset of his Law School teaching career.) Professor Baird began his service as Dean in 1994, before Wally’s death that December. Shortly before he died Wally spoke with Dean Baird about the need to pick a new Tax Conference Chairman for 1995 (my two-year term having contemporaneously ended). [176]

Some three years later Jeff spoke with Dean Baird to understand and respond to the Dean’s objections to the Law School’s ongoing sponsorship of the Conference. Jeff identified four areas that were of concern to Dean Baird:

1. The level of presentation and quality of speakers and papers may not meet the Law School’s high standards. As Jeff recently informed me:

   The [Dean’s] misunderstanding was that the Conference, since it was populated with practitioners instead of academics, did not have sufficiently high-level intellectual content to be consistent with the [University’s] mission. That required some explanation about the intellectual level that the Conference aimed to hit, and its unique position as such. [177]

   (Author’s note: In hindsight, it appears Jeff was so successful in conveying the quality and intellectual content of the Tax Conference to Dean Baird that he (Professor Baird) appeared as a featured panelist at the 2020 Tax Conference!) [178]

2. The Conference was continually running at a deficit (due to its decreasing attendance and revenues). The deficit was being covered by the Law School. Jeff recollects informing Dean Baird that the
Planning Committee members would cover the deficit. [179] Since that time the Law School’s support of the Conference has been in kind (providing the services of the Faculty Advisor, the Conference registrars, and other University personnel) but not in cash. [180]

3. The Tax Conference was always Wally’s Conference; so when he died, the Conference should die naturally. (This was not known to have been Wally’s wish.)

4. There was no Faculty Advisor to carry on as the Law School’s liaison with the Conference. This factor (unstated by Dean Baird to Jeff) may have been the inability to identify a Faculty Advisor from the Law School to make a commitment of sufficient length to succeed Wally. The role was played for a short time first, by Dan Shaviro and then by Elizabeth (Beth) Garrett, with no traction.

Dan Shaviro was appointed to the 1994 PC by Dean Geoffrey Stone. Dan recently informed me it was probably made with the understanding that Dan would be replacing Wally as Faculty Advisor. Dan states that although Wally may not have been sick yet at the time of Dan’s appointment, Wally was (as of six years earlier) officially retired. Dan wrote to me that he “did understand it [i.e., his appointment] as being related to the goal of having a faculty link to the Tax Conference, although you [Shelly], Jeff Sheffield and others were mainly guiding the process.” [181] Dan held the PC Faculty Advisor position until around July 1995, when he joined the NYU Law School faculty, wishing to relocate for reasons of family proximity, while acknowledging that he “started looking for real when I heard that Walter was dying.” [182]

Beth Garrett, appointed to the PC as Faculty Advisor by Dean Baird as Dan Shaviro’s successor, joined the Law School faculty as an Assistant Professor in 1995 about the time Dan was leaving. Steve Bowen remembers that Beth actively attended and participated in PC discussions, with a particular interest in procedural rules involving the tax system. [183] However, she only served on the PC for two years (1996–1997). She left the Law School in 2003, later rising to national prominence as Provost of the University of Southern California (2010–2014) and then as Cornell University’s first woman president (2015). She died in 2016 at age 52, less than one year after assuming that office. [184]

The Faculty Advisor vacancy problem was neatly solved by the Law School’s hiring of Julie Roin in September 1998, as part of the package deal in hiring her spouse, Saul Levmore. [185] Julie’s employment expressly contemplated her immediately stepping into the Faculty Advisor role, [186] which 24 conferences later she continues to admirably fill.

With the resolution being reached, there was no need to consider other alternatives to keep the Tax Conference alive. And we may never know whether the offer of a prominent West Coast Tax Professor to have his school pick up the baton if the Law School walked away from sponsoring the Tax Conference [187] would come to fruition.

XII. The 2000s—The Conference Nearly Dies Again, but At the Last Moment Revives

A. The Real World

Spotlight on 2003: The Human Genome Project was completed. The Space Shuttle Columbia disintegrated on re-entry, killing all seven astronauts aboard. The final Concorde flight took place, ending due to low passenger numbers. U.S. and U.K. forces invaded Iraq and captured Saddam Hussein. Apple launched iTunes. The highly infectious (and downright scary) disease SARS affected nearly 9,000 and killed over 800. Products developed included e-readers for e-books, blockchain, capsule endoscopy, robot hearts, mobile operating systems, online streaming, robotic exoskeletons, touchscreen glass, Facebook, Bluetooth, and Skype. The yearly inflation rate was 2.3%. The Dow Jones Industrial average finished the year at 10,453.92.

B. The Tax World
In this decade (2000–2009), twenty laws were enacted containing significant tax provisions. In 2003 the top marginal federal individual income tax rate was 35%. The Tax Increase Prevention and Reconciliation Act of 2005 (TIPRA) extended 2010 reductions in capital gains and dividends tax rates (5% for taxpayers in the 15% bracket and 15% for others) enacted by the Jobs and Growth Tax Relief Reconciliation Act of 2003 (JGTRRA). It also allowed taxpayers to convert traditional IRA balances into Roth IRAs, and eliminated the income limit on Roth IRA conversions starting in 2010.

C. Wally's World

As first revealed publically years later and discussed earlier in this article, Wally has been credited by 2003 Tax Conference Chair Robert (Bob) Wootton with saving the Tax Conference nine years after his death. (No mean feat!)

At the 2004 Tax Conference I was privileged to commemorate the tenth anniversary of Wally's passing. TAXES graciously printed my comments verbatim with the other Conference papers.

D. The Tax Conference World

Professor Saul Levmore, Dean of the Law School, opened the 2001 (54th) Federal Tax Conference. Dean Levmore announced the recent passing of Burton (Burt) Kanter, a long-time member of the PC who unknowingly helped inspire my interest in the Conference when I attended his speech back in 1973. Dean Levmore then delivered a short paper entitled "Clientele Effects and Our Fourth-Best Corporate Tax System." Dean Levmore taught tax classes prior to his joining the Law School, and Conference Committee Chair Robert H. (Bob) Aland had invited him to provide substantive tax comments to the Tax Conference attendees, which were published in the (March 2002) Tax Conference issue of TAXES.

The PC for the 54th Conference was composed of 26 members, including Professor Julie Roin of the Law School. In reporting on the Conference in the March 2002 issue of TAXES, Managing Editor Kurt Diefenbach noted that the Conference was fortunate to have as its Keynote Speakers two individuals well-versed in Washington tax policy issues: Mark Weinberger, Assistant Secretary of the Treasury for Tax Policy, and William Archer, former Chairman of the House Ways and Means Committee. Mr. Diefenbach wrote that after the presentation of ten papers, three special addresses, and a roundtable discussion on inter-company pricing, the Conference concluded with "an all-star panel debate of the ethical dilemmas in tax opinions, with a special emphasis on tax shelters and IRS Circular 230."

The 2003 Tax Conference, in which the Conference was rebuilt and reformatted, perhaps was the most important to the Conference's survival and success since its founding, as described in Part IV.C..

XIII. The 2010s—The Conference Is Flying High and Selling Out

A. The Real World

Spotlight on 2019: COVID-19 was identified late in the year. The world population exceeded 7,500,000,000. The ice caps were melting, the oceans were rising, and outside the White House the greenhouse effect was almost universally acknowledged. The yearly inflation rate was 1.8%. The Dow Jones Industrial average finished the year at 28,538.44. Products developed included gene editing with CRISPR, robotic cargo unloading, retinal implants, multi-use rockets, small (under-88-pound) satellites, solid-state lidar, self-driving cars, iPads, smart watches, fitness trackers, true wireless earphones, and consumer LED light bulbs.

B. The Tax World

In 2019, the top marginal federal individual income tax rate was 37% (well, actually 40.8%, if you include the additional 3.8% tax imposed by the Patient Protection and Affordable Care Act). The partnership centralized
audit regime, which generally replaces TEFRA, was fully operational, but based on the number of partnership audits in 2019, you would never know it. The year 2019 marked the 65th anniversary of the passage of the 1954 Code, but we still didn’t know for tax purposes the answer to basic questions like: what is debt and what is equity; for tax purposes, what is a good rescission, what is an ineffective rescission, and what is a fraudulent unwinding; and in the partnership area, who is a partner and who is not; who is a "limited partner" and who is a "general partner"; what is a valid special allocation of partnership income and loss, and what lacks substantial effect; and what is a guaranteed payment under Code Sec. 707(c) and what is a preferred return under Code Sec. 704(b)?

In 2019, I published in TAXES my fifth decennial review of the tax law profession (and the life of a tax lawyer).

C. Wally’s World

Hard to believe, but 2019 marked the 25th anniversary of Wally’s death. It was so noted at that year’s (72nd Annual) Tax Conference, and my comments lauding Wally were again published by TAXES in the Conference proceedings. A photograph of a beaming Wally (wearing a Wally tie, of course) accompanies that tribute.

D. The Tax Conference World

Things continued to go well for the Conference. Diana Doyle, Conference Chair in 2015–2016, recounted:

We had a great committee, with really enthusiastic members who contributed so much. It was about my time when the popularity of the Conference really took off, and registrations sold out so quickly. My assistant and I had to deal with folks who were not happy about being on the waiting list. I [felt] like I wielded such power!

Least importantly, in 2015 I made my 18th presentation to the Conference, and in March 2016 I published my 18th Tax Conference paper—both being all-time records for masochism that still stand.

XIV. The 2020s—The COVID Years; the Conference Vacillates, Vaccinates, and e-Volves

A. The Real World

COVID-19 really took effect in 2020 and continued to mutate (delta, delta variant, Omicron) in 2021. The yearly inflation rate for 2020 was 1.2% and that for 2021 was 4.8%. The Dow Jones Industrial average finished 2020 at 30,409.56 and 2021 at 36,338.30.

B. The Tax World

The top marginal Federal income tax rate was still 37% for tax years 2020–2021 (40.8%, if you include Patient Protection and Affordable Care Act’s (PPACA) 3.8%). Some changes in the tax laws were brought on by coronavirus-related legislation. The Consolidated Appropriations Act, 2021 includes many extensions of expiring deductions and credits, extensions, and expansions of certain tax relief provisions provided as part of the national response to the pandemic and various disaster tax relief provisions. The law provides clarification that gross income will not include an amount equal to any forgiven amount of a Paycheck Protection Program (PPP) loan and that expenses paid with forgiven PPP loans are fully deductible.

C. Wally’s World
The year 2021 marked the 80th anniversary of Wally’s graduation from the Law School and the 75th anniversary of his return to the Law School to teach as a fledgling Assistant Professor.

D. The Tax Conference World

The Tax Conference’s antidote for COVID-19 proved to be two large doses of flexibility, one taken in 2020 and the other in 2021. In March 2020, when the PC was in the early stages of selecting topics of interest, the coronavirus precluded the PC members from going to their offices and to PC meetings. More importantly, it cast a major question mark on whether the Tax Conference could be successfully held. Would venues like the Gleacher Center be permitted to open? Would in-town speakers and panelists be allowed to present? Would out-of-town speakers and panelists be able to get to Chicago? Most importantly, would an audience show up, and if so, how many?

If the Tax Conference’s classroom was not available for the Conference’s usage, could the Program be technologically staged? And how do you keep five panelists from speaking at once, which frequently occurs at the in-person Tax Conferences?

Should the potential speakers and panelists be told that should they accept, they should be prepared to present in person with a live audience and/or also via Zoom, depending on whatever the course of the pandemic would dictate by November 2020? Would any potential speaker accept those conditions? Should the program be offered in person only (as favored by some on the PC), virtually, by Zoom (favored by others), by a hybrid (some attending in person, others dialing in by Zoom; a Solomonic solution favored by some, but not necessarily by the two Solomons themselves), or should the program be cancelled (favored by some others)?

The most important question that the PC members faced: could and would the Tax Conference’s trademarked (well, not literally) classroom-style intercourse among the panelists and the vocal if not vociferous audience be replicated in a virtual program format? How do you prevent 150 participants from speaking at once? Would the new format have a chilling effect on participation, such that the Conference would lose its distinctiveness and become a boring presentation of four or five talking heads, each taking their scripted turns?

PC Chair Rachel Cantor repeatedly (albeit figuratively) took the temperatures of the 30 plus PC members as time to make a decision disappeared, but, alas, the pandemic didn’t. Ultimately, as shaped by Rachel, the decision was reached to keep the Conference alive. The 2020 Conference would be presented virtually (only) with a limited program of two topics (presented the same day). Incidentally, some of us on the PC saw a side benefit of this virtual presentation: it might prove to be a successful trial run for a full virtual program in 2021, if the pandemic was still around, contrary to President Trump’s assurances that it would (soon) just disappear.

The conference admission price was reduced to a mere pitance ($100), the Conference lunch and dinner were jettisoned, and on November 5, 2020, the show went on. In the end, the two panels, “The Foreign Tax Credit Implications of Reallocating the Income of ‘Digital’ Taxpayers,” presented by Brian Jenn, with Julie Roin, Mary Bennett, Tim McDonald, and Steven Edge on the panel, and “A Cause for Distress? The Ways the Federal Income Tax Pushes Taxpayers into Bankruptcy,” presented by Mark Hoffenberg with Douglas Baird (yes, that Douglas Baird), Anthony Sexton, and Linda Swartz on the panel, were presented with much the same flavor as an “in-person” Tax Conference panel would have had. The audience had lively participation in both panels, and the technology was used to highlight each audience member as they began to speak.

In pulling off its first virtual Tax Conference, the PC observed in its post-mortem session that the number of attendees no longer needs to be restricted by the size of the Gleacher Center’s classroom; there is no City of Chicago Fire Department fire code maximum capacity for a Zoom Room. However, the Zoom attendance in fact was restricted, consistent with the in-person attendance at prior Tax Conferences, in order to encourage discussion and (as Rachel observed), “scarcity drives your price up.” (So very University of Chicago, Rachel!)

Feedback on the abbreviated 2020 (all-Zoom) Conference was favorable. Emboldened by that success, the 2021 Conference’s PC was confident that, regardless of the possible presence of the pandemic continuing into November 2021, a virtual conference could be held on a larger scale, perhaps with all six topics and panels...
being presented over a number of days. (Would the Conference thereby be going full circle? As stated above, the inaugural tax conference in 1948 was presented in five small sessions over a number of weeks (five), not just days!)

The PC for the 2021 Tax Conference held numerous meetings to deliberate the type of Tax Conference to be held (subject to ever-shifting COVID constraints) and the topics, titles, presenters, and panelists, dependent in part on the type of Conference chosen. Ultimately, the following six programs were selected: “Foreign Branches: The Third Regime,” “What Happened to the Realization Principle?,” “Rewriting the Foreign Tax Credit (Again),” “Transfers to Corporations for No Consideration,” “Dividing the Indivisible in the Partnership Context,” and “Minimum Taxes.” As can be seen, the six topics encompass international tax (two), general income tax (two), corporate tax, and partnership tax.

The 2021 Conference was planned under a long shadow of uncertainty spanning many months. Because COVID vaccines were available throughout 2021, there was a good possibility that the Conference could be held in person, but would the regular attendees (not being previously known as a group of high rollers or risk takers, and many of whom would be arriving from out of town) make the personal choice to fly in? And some of the regulars pre-dated the ’54 Code—would the older invitees (inside the Chicago area and out) shy away from attending, due to increased health concerns?

The PC considered three alternatives to be viable, namely an all-Zoom Conference again; an ‘in-person’-only conference; and a hybrid of Zoom and in-person. Chair Cantor polled the PC with online surveys she designed, and found the usual lack of a clear consensus among the three alternatives.

After much discussion and with Rachel’s assistance and leadership, a PC consensus was built to eliminate the hybrid approach but keep open the Zoom versus in-person choices to the latest possible date that logistics would permit. As COVID continued to ebb and wane throughout the United States, it became evident that the pandemic would not be over but it also would not be foolish to undertake an in-person conference if (1) all attendees earlier submitted proof of vaccines before the Conference started; [200] (2) masks would be mandatory in the Meeting Room, regardless of city or state guidelines; and (3) the Gleacher Center’s lunch would be served in accordance with the facility requirements imposed by the University and its Graduate School of Business. In addition, the Friday evening dinner with after-dinner speaker would be held in a venue that, if not outdoors (after all, this is November and this is Chicago), could accommodate the flow of fresh air.

The steps taken to protect all Conference participants in attendance appear to have been successful. To our limited knowledge, no COVID-related illnesses in connection with the 2021 Tax Conference were reported after the fact to the Conference Chair, officials, or administrators. Although some other conferences and bar association meetings held around the same time chose to do a ‘Zoom-only’ format, our 74th Tax Conference successfully slipped through. For some in attendance, this was their first venture (and adventure) to a lengthy meeting outside their homes (and in several more cases, their first airplane trip, first hotel stay, and first congregant event) since COVID first forced us to work remotely in March 2020. It was also the most challenging set of circumstances we faced in the 38 years I have served on the PC.

Conference Chair Cantor had this to say about the 2021 Conference: [201]

Can you believe we sold out in under three minutes in the time of COVID? People very openly (and repeatedly) told me I was (and we were) crazy to have the conference in person. I mean, what an accomplishment! And it was so fantastic - the papers were amazing, the group was cohesive and engaged - I couldn’t be happier with the product and the experience.

A lesson learned in the face of a pandemic: who says tax lawyers and accountants (and the Tax Conference’s PC members) aren’t risk takers?
XV. The Conference at 74: Where Are We Now and Where Do We Go from Here?

So where does the Tax Conference stand as it enters its 75th year? And what does the future portend? Rachel responded with her thoughts on change, the dinner, and rejuvenation of the audience:

I thought when the conference was in my hands, I’d change things (at least on the margins). In addition to change being really, really hard to implement with so many constituencies and strong points of view, what we have works extremely well. I thought I would change the days - e.g., move to a Thursday/Friday format - but when you poll people it’s not that obvious what would actually be better. If it ain’t broke, don’t fix it? Another option would be to have just one day, instead of two - but then would people come to dinner? I think the dinner is a really important part of building community and making connections and if we lost the dinner, we’d lose a ton of what makes this conference special. What was interesting to me this year (2021) was how many people came to the dinner, despite COVID. And even more interesting was how many people who had not signed up for the dinner, ended up asking to come (and coming) anyway. The allure of the tax dinner was stronger than the fear of COVID! Or maybe it was our Dinner Speaker, Marty Sullivan. He was great!

We have long known that we need to build up the next generation. Our loyal attendees and participants are not getting any younger. But this conference is an important part of so many people’s lives it’s hard to make way for ducklings - but we are working on it, as you know. And I think doing a good job. Have to dribble them in and build them up.

XVI. Evaluations, Observations, and Conclusions

A. Evaluations

We next turn to a question that cannot be definitively answered: Would Wally today give the Tax Conference an “A”? Have we lived up to Wally’s expectations? And exactly what were those expectations, anyway?

If Wally specified his expectations of the Tax Conference, we are not aware of them. He left us no instructions during his lifetime. When Wally died, he was the proud father of 48 children: his two daughters and 46 tax conferences. But he left us with no Tax Conference Last Will and Testament. We can presume that he would want the Conference to be (and forever remain) successful. Is the Tax Conference successful? It depends on how one defines “success.”

As measured by its impact and influence on development of the tax law: The Tax Conference is (and has long been) recognized as the country’s most prestigious. It has consistently attracted presenters (speakers and panelists) of top reputation from law and accounting firms, academia, the government, and private industry. It has retained its roots as a Chicago conference, even while expanding its PC membership to include many members located far from the Windy City.

What Howard Krane observed in his 1988 article bears repeating: the Tax Conference is a mechanism for thoughtful and practical analysis of the tax law, supported by an annual publication [TAXES], which calls attention to the problems, weaknesses, flaws, and loopholes that are present in the Code and the developing law. The Conference, because of its prestige and the wide circulation of the annual collection of its papers, has been a substantial and powerful influence.

As measured by its financial support: The price of admission has risen significantly over the years, as the PC strives to cover the Conference’s rising costs. The deficits of concern some twenty plus years ago that threatened the Conference’s existence have not reappeared.
As measured by the strength of its speakers and panelists: The Conference continues to attract top-level speakers and panelists, as identified by the PC.

As measured by the strength of its papers: The Conference papers published in TAXES historically have been widely read, and appear to remain well represented among the leading tax literature referenced by practitioners, academics, and government representatives.

As measured by its development of future leaders of the Tax World: Suffice it to say that the PC’s selection process attempts to identify the best and brightest as presenters and panelists. In so doing, the Committee has taken chances on many up-and-coming presenters and panelists who previously had not had the opportunity to shine on a national stage.

As measured by its impact on development of the tax law: The Conference’s Golden Age for influencing the development of the tax law may have been during Wally’s time. His contacts with those in the branches of the Federal government dealing with matters of tax policy and administration were so strong that on occasion he might mention at a PC meeting something to the effect that “the Treasury (or IRS or Congress) is really struggling with how to address topic X, and would that be a topic of interest for our Conference to explore?” If the PC ran with the ball and developed that topic, we knew we would have the attention (and possibly the participation on the panel) of Government officials who could influence the development of that area of the tax law.

Since Wally’s passing, the PC hasn't had that direct pipeline into the Government’s highest inner workings on tax matters, but through our members’ connections with leading bar associations, accounting societies, and industry groups, we continue to identify and present topics of relevance in the development of the tax law. The ongoing attendance at the Conference of staff members of the Joint Committee on Taxation and other tax-writing committees may indirectly influence the tax law’s legislative development. The inclusion on certain panels of high-ranking Treasury and IRS personnel—those in policy-making positions—also positions the Tax Conference to better influence those policy makers’ thinking.

As measured by its ability to evolve: You don’t stay in business for 75 years without evolving. The Conference’s close brushes with collapse in the late 1990s/early 2000s forced the Conference to face its problems, and then restructure, re-format, and re-brand itself, thereby establishing a niche that has worked well to date. And the recent challenges brought on by the COVID pandemic have led to evolutionary changes in how the Conference can be presented (in person or virtually) and, more basically, how to design a Conference (in the alternative) when flexibility is needed as the Conference date draws nearer. (As past Conference Chairman Rachel Cantor observed, "During the past two years we planned for four conferences!”) These challenges were successfully navigated in 2020 and 2021; perhaps the 2022 Conference will continue the process of evolution.

As measured against its philosophy: Consistency as to mission is a major factor in evaluating the success of one’s program; it is not merely an indicum, it is a requirement. What Howard Krane wrote in 1988 about the Conferences of 1948 through 1988 continues to be true today: “Over its 40 years,...people...have spent ... days...attending the Conference, listening to the speeches and engaging in lively and spirited debate about the tax law, what it means, and where it is going.” Today we can still confidently check off that requirement.

Looking back on this evaluation, we think Wally would give the Conference a high grade—and ask us, what do you intend to do going forward to keep it that way? What aspects of the Tax World are not working well, and what would be interesting to discuss about that, and what should the tax law be to deal with that?

B. Observations

Some random thoughts and observations about the Tax Conference, in no particular order:

1. It enters its 75th year well-positioned to continue on successfully.
2. Its history shows that its future as such is not assured.
3. It cannot survive long term as the University of Chicago Law School Tax Conference without an invested faculty advisor to continue to act as liaison with its sponsor, the Law School.

4. Its unique role and status amongst tax conferences depends on the audience continuing to be largely comprising leading tax practitioners, academics, and government representatives who are ready, willing, and able to participate in real time in the topic discussions.

5. Rachel is correct; over time we need to build up the next generation of presenters, panelists, and invitees, even though this conference is an important part of the lives of so many people who have long attended our programs.

6. The Conference Chairmen and PCs put in significant efforts to select appropriate topics that are relevant, engaging, and discussion-worthy, while remaining timely for publication of the papers in TAXES in the following year’s March issue, four months after the Conference is held (and often up to a year after the topic is first proposed). That’s no easy feat.

7. Our presenters (and where appropriate, panelists) need to continue to prepare top-quality papers for publication in TAXES.

8. The symbiotic relationship between the Tax Conference and TAXES may be re-examined from time to time, but absent a major change in circumstances, should continue.

9. The last two (COVID-19) years have proven challenging for most law conferences, but the Tax Conference has proven itself adaptable to either virtual or “in-person” conferences, as circumstances dictate.

C. Conclusions

What makes the Tax Conference so great? Many things. Rachel Cantor gives a lot of the credit to the dinner, more so after experiencing the 2021 “in-person, during-COVID” conference. [207]

Steve Bowen identifies three items: “(1) It’s not a PLI conference or a ‘how to do it’ program. Rather, it asks, ‘Does the law make any sense? What would be better?’, (2) the Conference papers’ publication in TAXES: ‘You pull up that magazine to find a really smart advisor,’ and (3) the Conference really cares about the tax law.” [208]

As stated earlier, [209] Diana Doyle credits the true dedication of the audience to learning (or knowing) about topics before they are presented, such that they can truly participate in an insightful manner.

Paul Carman also credits the audience:

One of the major differences is the audience participation. In most conferences, the speakers speak and the audience listens. Maybe there is time for questions at the end. At the UofC Conference, the audience is expected to and does actively participate in the discussion of the material presented. [210]

Jim Barry concurs:

What makes our Tax Conference different from other successful tax conferences? The interaction between the audience and the panelists is what makes it unique. It only works because the panelists and audience members are among the top tax advisors in the country. [211]

And consider Rachel Cantor’s concise conclusion:
In addition to the excellent papers, excellent speakers and panelists, the coming together of tax professionals from around the country from all “walks” of tax life (law firms, accounting firms, corporations, academia and government), is the true ‘Chicago’ feel: scarcity drives your price up. [212]

In my 2004 tribute to Wally, I wrote something that still applies to the Tax Conference:

Wally’s credo, which still sustains this Conference and gives it its unique status 10 years after his death, was simply this: “The U. of C. Tax Conference is not about ‘How to do it;’ it’s about ‘what does it all mean and does it really work, and what should the answer be?’”

What more can I now add to the equation? Just this: Wally. Really. Cared. And so did and so do we, the Conference’s PC members, past and present.

And thanks to all who over the years have helped make this Conference—its presentations and its publications—possible and successful.

Footnotes

* The author wishes to thank former and present Planning Committee Chairmen James R. (Jim) Barry, Stephen (Steve) Bowen, Rachel L. Cantor, Paul Carman, Diana Doyle, Howard G. Krane, and Jeffrey T. (Jeff) Sheffield, Planning Committee members (present or past) Richard M. (Dick) Lipton, Professor Julie Roin, and Professor Daniel (Dan) Shaviro, Sheri H. Lewis, Director, D’Angelo Law Library, University of Chicago Law School, and her staff, and Karen Dalton for their contributions to this article. (This paper was not presented at the 74th Annual University of Chicago Law School Federal Tax Conference, unlike the papers that follow.)

1 Chicago was nicknamed “The Windy City” in the 19th century, but its derivation is uncertain. One “popular theory holds that it was coined in reference to Chicago's bloviating residents and politicians, who were deemed to be ‘full of hot air’. It functioned as both a literal reference to Chicago’s windy weather and a metaphorical jab at its supposedly boastful citizenry. Interestingly, although Chicago may have gotten its nickname in part because of its fierce winds, it’s not the breeziest town in the United States. In fact, meteorological surveys have often rated the likes of Boston, New York and San Francisco as having higher average wind speeds.” Evan Andrews, Why is Chicago called the “Windy City”? History (updated 9/1/18), history.com/news/why-is-chicago-called-the-windy-city.

2 Of course, the greatest involves a cow in a barn behind a wooden house at 137 (now 558) W. DeKoven St. that allegedly knocked over a lantern, which started a small blaze that quickly became the conflagration known as the Great Chicago Fire of 1871.

3 See Part V., infra.

4 The Tax Conference has featured papers I authored which have included reference to “Mr. Popeil” in the titles and, more importantly, explained who and what “Mr. Popeil” was. See, e.g., Sheldon I. Banoff, Mr. Popeil Pushes Partial Partnership Interests Through the Veg-O-Matic: You Can Slic “Em, You Can Dice ‘Em, But How Do You Tax ‘Em?, TAXES, December 1994, at 833, 835 n.1. As explained therein, Samuel (Sam) Popeil and his son Ronald (Ron) are “Mr. Popeil”. Ron, who died last July, was originally a Chicago-based marketer and inventor who was credited with ‘inventing’ the infomercial. He often used the phrase “But wait, there's more!” in his spiels on TV and in person.

5 My long-standing connections with The University of Chicago, The Law School, and the Tax Conference might be described as Forest Gumpian; three tenuous ties took place by the time I was seven days old. My first and most tenuous tie with the Tax Conference is our shared beginnings dating back to 1948, the year of the Conference’s inception and my conception. The following year I was born at Wesley Memorial, a university
hospital in Chicago that was not the University of Chicago’s (but rather one located to its northwestern, wink-wink), an accident of birth, not my choosing. In the second of many coincidences, my newborn baby nursery (at 250 E. Superior Ave.) was only 3/8 mile from the site of the co-sponsor of the University of Chicago’s early tax conferences, namely the School of Business (190 E. Delaware Pl.). Coming home from the hospital on Day 7, my first ‘crib’ (literally and figuratively) was located in a large apartment building (the building was large, not the apartment) at 1015 E. 52nd St., exactly one mile north-northwest of The Law School (then located near 59th St. and University Ave. in Stuart Hall on the University campus’s main quadrangles) in the Hyde Park neighborhood.

Before I could walk, talk, or compose interminable footnotes like this one, my family moved to larger apartments on the city’s West and then North Sides, and I had no further contact with Hyde Park (infrequent visits to The Museum of Science and Industry don’t count) until I was admitted to The Law School. When I first visited my 52nd Street birthplace in 1971, on the way to an appointment to meet the Dean of Students at the Law School, I found myself at a barren site that was marked as being a (temporary?) parking lot for the University’s Pritzker School of Medicine. (Guess they don’t have to worry about preserving my childhood home.)

Briefly reverting to the third person, “Young Sheldon knew for certain (since the age of 13) that he wanted to be a tax lawyer.” I started at The Law School in the Fall of 1971 (being one of two students with an undergraduate degree in accounting and nothing else in a class of 170) striving to be a tax practitioner. Two years later I convinced the Tax Professor from my Corporate Taxation class (one Walter J. Blum; more on him later) to allow me to do an independent research paper (Law 499) for his evaluation (and four hours’ grade credit); the topic we agreed upon being the elusive answer to what had been the second essay question on our Corporate Tax final exam. That paper scored me a borderline “A”—itself viewed as a coveted Blum endorsement and not coincidentally a virtual guarantee of future employment by any Chicago-based law firm looking for a fledgling tax associate. It also (on Wally’s recommendation to the editors) led to its (substantially edited) publication in The Law School’s Law Review (again, not a harmful result, career-wise). Comment, The Zero Basis Dilemma in Nonqualifying Triangular Acquisitions, 41 U. Chi. L. Rev. 92 (1973).

While I was a 3L (third-year law student) in 1973, I took advantage of Wally’s invitation to attend gratis a presentation by Chicago attorney Burt Kanter at the Tax Conference, then being held in the massive Prudential Building Auditorium in downtown Chicago. The presentation was informative, captivating, and entertaining, and I eagerly awaited its publication two months later in the December 1973 issue of TAXES. See Burton W. Kanter, Real Estate Tax Shelters: Everything You Wanted to Know but Did Not Know What to Ask, TAXES, Dec. 1973, at 770 (presented at the 26th Annual Tax Conference, October 1973). Once I read it I was hooked on the Conference. (I still have that issue.) Another Gumpian connection: a dozen years later (1985) I became co-editor of The Journal of Taxation’s “Shop Talk” column—joining Burton W. Kanter. I continue to co-author and co-edit that monthly column, 37 years later.

After I graduated from the Law School in 1974 and started working for the only law firm that has employed me (now known as Katten Muchin Rosenman LLP), I convinced the firm’s powers that be to annually support my attending the Tax Conference. That my nameplate said “Allan B. Muchin” for several years (since few, if any, firms back then bought tickets in the names of their junior associates) was a source of some embarrassment for me, as to both those I met at the Tax Conference who knew Allan (a tax and estate planning practitioner of some local renown and founding name partner at my firm) and those who didn’t (as I had to explain I wasn’t Allan, I was just, um, … borrowing his ticket to crash the Conference).

After publishing an article in 1979 in TAXES and in early 1980 in The Tax Law Review and The Journal of Taxation, and being known to Wally Blum, I was invited to present at the Tax Conference in 1980 (my first year as a Katten partner) and again in 1983. I apparently did okay because the following year (1984) I was appointed to the Tax Conference’s Planning Committee (a major coup) joining Wally, Burt, Howard Krane, and other tax world luminaries. To paraphrase Lin-Manuel Miranda’s “Hamilton,” I have since been privileged to be “in the
room” on the Planning Committee, and privileged to help select topics, speakers, panelists, and other Planning Committee members these past 38 years.

My ties to the Law School continued when (on Wally’s recommendation) I designed and taught a heavily tax-infused class titled “Real Estate Transactions” (Law 531) as a Lecturer in Law in 1989–1992.

Thank you for indulging this recitation. I can now accurately and proudly say I am a footnote in the Tax Conference’s history!

My oldest connection arose the courtesy of my dearly departed mother-in-law, Sarah Landsman, who circa 1965 worked in a clerical position at CCH (then known as Commerce Clearinghouse, Inc.), the longtime publisher of TAXES, in their former offices at 4025 W. Peterson Ave. in Chicago. (I hadn’t met my future wife, Joanie, then.)

Sarah never wrote any articles for TAXES, but I have (around 25). More TAXES /Tax Conference Gumpian coincidences: I may live the closest to the Magazine’s headquarters of any current or prior Tax Conference Planning Committee member, presenter or panelist. My house is less than two miles down the road from TAXES ’ current (but, as of this writing, COVID-uninhabited) office in neighboring Riverwoods, IL located on CCH Drive (a street succinctly so named for TAXES ’ publisher before the company’s acquisition by Wolters Kluwer in 1995). In prior years that proximity afforded me the convenient opportunity to hand deliver my Conference manuscripts and disks on many an article deadline’s night to ‘Red,’ CCH’s red-haired night shift security guard down on the sub-level loading dock. Thanks to technology, the personal touch is no longer required. I miss it.

Should the Tax Conference continue on for another 25 years (and why should it not?), permission is hereby granted to the scribe of its centennial (circa 2047–2048) to cannibalize this article as they see fit, just as I have respectfully borrowed from materials, papers, and publications past.

University Chancellor Lawrence A. Kimpton and Nelson Rockefeller, a grandson of John D. Rockefeller and at the time Governor of New York, spoke at the Law Building’s dedication; Vice President Richard M. Nixon presided. Roughly 14 years later, my class of 3Ls would discuss almost daily (in- and outside of class) the Watergate Scandal, followed by the Nixon Impeachment proceedings (including U.S. Supreme Court decisions) that subsequently led to Nixon’s resignation as President in 1974.

The Law School established its LL.M. degree in 1942. See Law School Announcements 1943–1944 (1943), Book 68, at 6. The Law School wears its lack of an LL.M. Tax Program matter-of-factly, if not proudly. “Unlike a number of other law schools, the University of Chicago does not offer a specialized LL.M. degree with a large number of graduate courses in a particular field such as taxation or securities regulation…..Each year the Law School receives approximately 1,000 applications for about 80 positions in the LL.M. program. In recent years, virtually all of the students admitted to the LL.M. program have been graduates of foreign schools. This is …. a judgment by the Graduate Studies Committee that the Law School’s small size and lack of graduate programs specializing in specific substantive areas make it unsuitable for most American law school graduates thinking of a second [law] degree.” Editors, Law School Announcements, Law School Announcements, University of Chicago Law School Announcements 2021–2022 (2021), “The Graduate Program,” at 23, chicagounbound.chicago.edu/lawschoolannouncements/134/ (hereinafter “Law School Announcements”).

Law Student (and future Conference Chairman) Stephen Bowen (Class of 1972) was one of a handful of students who attended this seminar, which featured policy discussions and analysis of materials written by Henry Simons, University of Chicago economist and first Professor of Law and Economics in the Law School. Telephonic Interview of Stephen Bowen on January 7, 2022 by the author (the “Bowen Interview, 1/7/22”).

In 2022 it sounds unheard of to say there is no International Tax program being taught by a top-ranked law school. But in the early 1970s it was nowhere near as important, and the Law School’s Tax Conference reflected that by having few programs on International Tax for many years.


The hyperbole here is a bit grandiose, particularly because Illinois is the second flattest state in the United States (Florida being the flattest). There is no mountain here of granite or stone (Stone Mountain?) suitable for Dean Stone to carve the four giants’ heads!


Stone, Meltzer, note 17 supra.

Edward H. Levi later became the Dean of the Law School, the Attorney General of the United States, and the President of the University.

Stone, Meltzer, note 17 supra, at 439. There are some small indicia of nepotism involving the Law School (as there are with respect to the Tax Conference). See, e.g., notes 48, 67, and 139, infra and accompanying text. This is Chicago. Get over it.


As a Tax Conference presenter I have published 18 papers in TAXES, which is an all-time Conference record for masochism. My goal has been to continue presenting until I get one that Wally would grade an “86” (now a “186”)—the top grade on the Law School’s quirky grading system. (Most assuredly this paper would not.)


Walter J. Blum, Self-Cancelling Installment Notes - The New SCIN Game?, 60 TAXES 183 (1982); Sheldon I. Banoff and Michael O. Hartz, It’s No Sin to SCIN! A Reply to Professor Blum on Self-Cancelling Installment Notes, 60 TAXES 187 (1982).

Richard M. Lipton, Fun and Games With Our New PALs, TAXES, December 1986, at 801 (39th Annual Tax Conf.)

Email dated December 20, 2021 from Richard M. Lipton to the author.

Bowen Interview, 1/7/22.

Email dated January 5, 2022 from Diana Doyle to the author (the “Doyle email, 1/5/22”).


Bowen Interview, 1/7/22.
E.g., The Walter J. Blum Professorship of Law, established in 1999 (“… made possible through the generosity of Burton Kanter, a member of the Class of 1952”, Law School Announcements 2021–2022 (2021), “Funds and Endowments,” at 266); The Kirkland & Ellis Professorship in Law, established in 1984 (“…. by members of the law firm of Kirkland & Ellis LLP and its partner Howard G. Krane (J.D. 1957)”, id. at 267), and The Richard M. Lipton Professorship in Law, established in 2021 (“…. to support a faculty member at the Law School who has attained distinction in the field of tax law”, id. at 268). The Walter J. Blum Faculty Research Fund, established with seed funding by Stephen Bowen and Professor and former Dean Geoffrey Stone, was created to support faculty research in the areas of taxation, corporate finance, and reorganization, id. at 288; Bowen Interview, 1/7/22.


This was equally true in 1988. See Howard G. Krane, Walter J. Blum and The University of Chicago Tax Conference, 55 U. CHI. L. REV. 730 (1988), available at chicagounbound.uchicago.edu/uclrev/vol55/iss3/3 (hereafter “Krane”), at 731: “The brochures for the Conference make it clear that attendees should come only if they are fairly sophisticated and knowledgeable in the tax area. It is not a conference for neophytes.”

Email from Paul Carman (Conference Chairman, 2022) dated January 11, 2022 to the author (the “Carman email, 1/11/22”) (“The conference usually sells out in 15 minutes or less.”); email from James R. Barry, Conference Chairman (2016–2017) dated January 12, 2022 to the author (the “Barry email, 1/12/22”) (“I …was amazed at how quickly registration [in 2016-2017] closed (8 minutes.”)

The Tax Conference relocated to the Prudential Building for its 1957 (10th annual) conference. See Tenth Tax Conference, Law School Record, January 1958. (It is possible that the Conference moved to the Prudential one year earlier, for its 1956 (9th Annual) Meeting.)
2001. (There are some indicia of nepotism involving the Tax Conference. See notes 67 and 139 infra, and accompanying text. As I said before, this is Chicago. Get over it.)

The paper Wally delivered and published was part of the Third Annual Federal Tax Conference. Walter J. Blum, Changing from a Corporation to a Partnership, TAXES, December 1950 at 1180. The paper he published but did not deliver? Walter J. Blum, How to Succeed in a Business Deduction Without Really Trying, or the Conservative Taxpayer’s Pocket Guide to Planning for Deduction of Travel and Entertainment Expenses Under the Revenue Act of 1962, TAXES, December 1962 at 1074. As Wally humorously wrote as a preface to his article, “This paper was not delivered at the Fifteenth Annual Federal Tax Conference of the University of Chicago Law School. But it is included among the conference papers on a tenuous ground suggested by the author, who was chairman of the conference session in which two papers on travel and entertainment expenses under the Revenue Act of 1962 were presented. His reasoning is that he conceivably might have incorporated the contents of this paper in his introductory remarks had time permitted.” (emphasis added).

We suspect Julie has been called upon more than once to defend the Law School’s continuing involvement with the Tax Conference. Jeffrey Sheffield email dated December 17, 2021 to the author (the “Sheffield email, 12/17/21”).

Telephonic interview of Prof. Julie A. Roin on December 13, 2021 by the author (the “Roin Interview, 12/13/21”).

And a well-deserved shout-out to Kirkland & Ellis associates Grace Bridwell, Natalie Kannan, and Joe Morley for providing Rachel Cantor (Conference Chairman, 2020–2021) and her Planning Committee with a handy-dandy, comprehensive spread sheet of all of the Tax Conference’s speakers, panelists, titles, and papers starting with the second Tax Conference in 1949, as published in TAXES.

But where are the papers from the first Tax Conference? They are not listed in their spread sheet and not published in TAXES, either! For the answer, see Part V.D., infra.

This has always been the case, and has been recognized as having the effect of raising the level of the speakers’ presentations. See text accompanying note 81 infra.

This requirement is directly traceable to a registrant who flew in from Texas some years ago (before attorneys’ CLE (Continuing Legal Education) was a widespread requirement, certainly not in Illinois) to attend his first Tax Conference. Upon checking in at the registrants’ table, he requested “the written materials.” Told that there were none prepared for any of the sessions, the registrant loudly complained that he had to bring back materials to his Texas firm’s colleagues. He was informed that the papers would be available when published in a few months in TAXES; alas, he was not pacified. He promptly turned around and left. Fearful that he might have been the victim of foul play upon returning empty-handed, the Planning Committee thereafter imposed a pre-presentation pre-publication requirement for all generations to come. (And yes, the Planning Committee Chair did authorize a full registration fee refund to the Texan who retreated.)

Email dated December 10, 2021 from Rachel L. Cantor to the author (the “Cantor email, 12/10/21”).


I read this somewhere. If I come across it again, I’ll correct this in the online version of this article. Stay tuned!


I personally witnessed this at the Prudential Building conferences back then.

Again, I personally witnessed this.

See, e.g., text accompanying note 194 infra.

Doyle email, 1/5/22.

Like the Tax Conference, the movie’s producer was a Walter (Mirisch).

The Carman email, 1/11/22.
The sole known exception: the presentation of then Law School Dean Saul Levmore at the 54th Annual Tax Conference (2001), described herein. Exceptional in every sense. See Part XII.D., infra.

"Take It to the Limit," performed by The Eagles, 1975 (Randy Meisner, Don Henley, and Glenn Frey, songwriters).

One finds there are some indicia of nepotism involving the Tax Conference. Also see notes 48 and 139 infra, and accompanying text. As I’ve said repeatedly, this is Chicago. Get over it.

Telephonic interview of Howard G. Krane on December 10, 2021 by the author (the "Krane Interview, 12/10/21").


For more on the Prudential site, see Part VII.D., infra.

The norm in 1974 was for associates to actually work (while simultaneously studying for the Exam) half a day; unlike future generations, we didn’t get the summer off at full pay. (It’s never too late for reparations to the Class of ’74!) The other newbie at my firm (Vince Sergi, Northwestern Law, J.D., 1974) and I—being Katten’s entire recruiting Class of 1974—started when the Firm started in June, 1974. We would often do the morning bar review course held in Midland’s second floor ballroom, eat our home-made (literally!) brown bag lunches we brought to class, and rush to the Katten office to work from 1 until 5:30 or 6 pm, then go home and read the next day’s bar course materials. This went on for two solid months until we took off for the exam. With unfond memories like that, you can see why I shuddered every time I returned to the Midland to attend and present at the Tax Conference, held in the same ballroom. (BTW, Vince and I were associates, partners, and then senior counsels, both scheduled to retire from Katten on January 31, 2022. This constituted 100% retention of the entire (two-member) Class of 1974 for 47 ½ years, undoubtedly a modern-day Am Law 100 record. By then Vince had become Vincent A.F. Sergi, National Managing Partner and thereafter Chairman of Katten, 1995–2016; I ended up writing histories of tax conferences.)

Having attended the Law School, whose primary mission probably was to teach us students how to think about matters of law, we had no ‘practical’ classes, and certainly none designed to help one pass the 1974 Illinois Bar Exam, which was anything but theoretical. We Law School students believed we were at a huge preparatory disadvantage compared to those who attended one of Chicago’s so-called local law schools, as we understood the latter were taught “the law” (including answers to questions anticipated to pop up on the Bar exam). My fear in taking the exam was palpable (having a last name letter “B”, I was assigned to take it at Northwestern University’s downtown campus, which is a story for another day). Nonetheless, all but one of my Law School classmates who took that Exam passed, so either the bar review course was very good, or we were very good, or both.

Wikipedia, University Club of Chicago.

Id. Perhaps of even greater importance to Chicago’s social and athletic fabric was the accidental invention (also occurring in 1887) by Harvard and Yale students and alums of the earliest-known softball game of any kind, played at the Farragut Boat Club in Chicago on Thanksgiving Day 1887 while waiting to hear the telegraphic results of the annual Harvard–Yale football game. Wikipedia, 16-inch softball. Chicago ball (better known as “16-inch softball” or just “16”), played without gloves or mitts on the fielders and over the years played all over Chicagoland and on occasion on the Law School’s lawn, directly descended from that 1887 game.

See Part VI.D.


Krane, supra note 39, at 732.


Krane, supra note 39, at 733.
As TAXES’ publication arm (the printers and distributors) shut down for the latter part of December, a failure to meet the hard deadline would be catastrophic and result in two months’ issues being delivered in mid- or late January.

Whether the non-attendees ever found the time to read the articles is not the point. The ever-shrinking audience became a real disincentive to speakers whose hard work would be rewarded only via publication.

Ill. Supreme Court Rules of Professional Conduct Rule 794(a) (adopted Sept. 29, 2005).

Telephonic interview of Jeffrey T. Sheffield on December 9, 2021 by the author (the “Sheffield Interview, 12/9/21”).

I inserted this one to see if you are paying attention. Hard to believe that song was a #7 hit on the Billboard Hot 100 in 1963. See Wikipedia, Blame It on the Bossa Nova (song performed by Eydie Gorme, written by Cynthia Weil and Barry Mann, who also wrote 1965 megahit “You’ve Lost That Lovin’ Feeling,” which is the way some of us Planning Committee members were feeling after the aforementioned negative vibes from Wolters Kluwer, the Law School, and the ever-shrinking number of attendees.).

For at least some of the local tax authority officials (federal and state) who were given complimentary invitations, the Conference was a fine day out of the office and away from their daily routine. Moreover, as the opening speaker in those days typically was the IRS Commissioner or Chief Counsel, or some other prominent government tax official, the government attendees typically turned out in force (if not en masse) as a show of support for or fealty to the Big Honcho on Conference Day 1, Morning 1.

As a Planning Committee member and biannual presenter myself during those years, with no ability or interest in rainmaking, I viewed the Tax Conference as a dry run and testing ground for my paper, and that the real payoff to me was its publication in TAXES along with many top-quality papers that have stood the test of time. Not your typical response to dwindling crowds, I admit.


In so doing, the Planning Committee emulated the schedule successfully used three times a year by the American Bar Association Section of Taxation. The pre-COVID (in-person) core of the Tax Section’s meetings was its full-day Friday and Saturday morning sessions, with a Friday evening dinner reception open to all participants (who paid an admission fee for the event).

As reported by the editors of TAXES almost 50 years ago, “Following well-established practice at these Conferences, this year’s sessions afforded a substantial amount of time for questions of general interest from the floor.” CCH Editors, Our Cover, Proceedings of the Conference, 26th Annual Federal Tax Conference of The University of Chicago Law School, TAXES, Vol. 51, No. 12 (December 1973) (Inside Front Cover).

Jones has no known connection to the Tax Conference.

Well, actually, no one said exactly that in the movie. A voice kept saying to Ray Kinsella (Kevin Costner), “if you build it, he will come.” Jones said to Costner, “People will come, Ray. People will definitely come.” The baseball players who came out of the cornfields to play ball in the film’s corny but convincing conclusion—‘Shoeless Joe’ Jackson, and others—were, of course, Chicago White Sox players who infamously lost the 1919 World Series. Several were banished forever from the game by another tough Commissioner (to wit, Major League Baseball Commissioner Kennesaw Mountain Landis). At his trial in 1921 for participating in the cover-up of the Sox’ flop (staged for the gangster gamblers’ gain), Shoeless Joe allegedly was approached on the court stairway by a young boy/Jackson hero worshipper who reportedly said, “Say it ain’t so, Joe, say it ain’t so!” (Joe did not deny it.)

While researching the identity of that young boy in connection with this article, I confess I was unable to eliminate Wally. Being a South Sider, Wally most likely would have been a fan of the South Side Sox (and not the North Side Cubs; every homegrown Chicagoan knows you can’t be both). His seminal tome, The Uneasy
Case for Progressive Taxation, is replete with baseball metaphors and references. Moreover, at the time of the trial he was a young boy. (Although only three years old in 1921, Wally may have already developed his quest for knowledge of all things legal and illegal, including alleged World Series fixes. Besides, he matriculated at the University of Chicago Lab School the following year at age 4, so I wouldn’t have put anything past him, even at age 3.) Like many things, I wish I had asked Wally about Shoeless Joe, too, when I had the chance…..

94 As reflected in an email from Robert (Bob) Wootton to your author that we published. See Sheldon I. Banoff, Walter Blum Testimonial, TAXES, March 2020, 39, at 40.


97 See Reg. §1.6662-3(b)(1), (3).

98 Compare Code Sec. 6662, Reg. §1.6662-4(d).

99 Bob might have referred the reader here to a 1988 Tax Conference paper that wrestled with the standards that tax practitioners and the IRS must encounter in practice. See Sheldon I. Banoff, Dealing With the “Authorities”: Determining Valid Legal Authority in Advising Clients, Rendering Opinions, Preparing Tax Returns and Avoiding Penalties, TAXES, December 1988, at 1072 (41st Annual Conference). That paper derived from a Planning Committee meeting where member Louis S. (Lou) Freeman half-jokingly complained, “Why does the IRS get to hold taxpayers and us tax advisors up to penalties if they don’t like tax positions that we take, but when the IRS agents take crazy, indefensible positions on audit they don’t get hit with penalties?”

Lou’s claim to fame at the Tax Conference (in addition to being an outstanding presenter and speaker, and active Planning Committee member) is his 1986 Tax Conference paper, having the longest title (45 words) : Some Early Strategies for the Methodical Disincorporation of America After the Tax Reform Act of 1986: Grafting Partnerships onto C Corporations, Running Amok with the Master Limited Partnership Concept, and Generally Endeavoring to Defeat the Intention of the Draftsmen of the Repeal of General Utilities. I am envious.


101 Id.

102 At the time the Tax Conference was being designed and inaugurated, the Law School’s class catalog described Law 510e as follows:

“510e TAXATION. Income, gift, and estate taxation by the national government. The relationship of taxation to economic and fiscal policy, the problem of taxing family units, and the role of taxation in a private enterprise economy. Aut (4 hours) and Win (4 hours) Blum, Blough.” See “Law School Announcements 1947–1948” (1947), note 100 supra. The same course description is found in the following year (1948–1949)’s Law School Announcements (Book 73). See chicagounbound.uchicago.edu/lawschoolannouncements/73. The professors listed to teach the class in 1948–1949 are Professors Blum, Blough, and Harry Kalven, Jr.

103 The University of Chicago Chronicle, Obituary: Walter Blum, Law School, Vol. 4, No. 9 (Jan. 5, 1995) (herein “Chronicle Obituary”), www.chronicle.uchicago.edu (“Blum designed and directed the Law School’s annual Federal Tax Conference, the premier tax conference in the country.”)


105 I tried to kill this legend once before, but to no avail. Banoff, Remembrance of Walter J. Blum, TAXES, March 2005, at 251.

106 The source of all inflation rates used in this article is Federal Reserve Bank of Minneapolis, “Consumer Price Index, 1913-,” minneapolisfed.org/about-us/monetary-policy/inflation-calculator/consumer-price-index-1913-
References to the top marginal individual income tax rate in this article are as reported by the IRS. See SOI Tax Stat - Historical Table 23, U.S. Individual Income Tax; Personal Exemptions and Lowest and Highest Bracket Tax Rates, and Tax Base for Regular Tax, Tax Years 1913–2018, irs.gov/statistics/soi-tax-stats-historical-table-23.

Krane, supra note 39, at 730.

These factoids can be found in Stone, Wally, supra note 23, at 721.


The University's newspaper, in a nondescript article, mentioned that the Institute was "[m]eeting in celebration of the fiftieth anniversary of the Business School." See Tax Institute will meet, Chicago Maroon, October 12, 1948, at 8. (It was only the 46th anniversary of the Law School.) Was it mere coincidence that the name of the University's tax conference ("Institute on Federal Taxation") was the same as that earlier selected by New York University? And what caused Chicago to change its name for the second conference program in 1949? Two more questions for Wally.

What exactly was the Downtown Center of University College? A 1954 brochure states, "University College offers adults the resources of the University of Chicago. The Downtown Center, at 19 S. LaSalle St., gives credit and noncredit classes at night, including some programs for master's degrees….. The Executive Program and the M.B.A. Program will be offered this year [1954] by the School of Business at 190 East Delaware Place." University College, The University of Chicago, "Know Your Chicago," 1954 Symposium and Brochure, available at knowyourchicago.org/sites/default/files/KYC%201954%20Symposium%20and%20Brochure.pdf


I was unable to discover through online searches a connection between this Mr. Chamberlain and the University of Chicago School of Business or the 1948 tax institute.

See Roy Blough Dies, www.washingtonpost.com/archive/local/2000/03/01/roy-blough-dies/cfa5c1fc-0b1a-43fa-95b8-421e02db16ab/.

And what of Royal S. Van de Woestyne, the Editor of the Tax Institute’s publication whose Foreword we quoted generously, above? He was promoted to Associate Dean of the School of Business in 1954, having "had notable success in the creation of the annual tax conference", according to the Dean of University College. See Howard named business head of U. college, Chicago Maroon, February 3, 1954, at 3.

See supra note 102.


Mr. Chizek is not listed as being on the Planning Committee with respect to the second Tax Conference. TAXES, December 1949, at 1056.

Krane, supra note 39, at 730, misdescribes it as the first annual Federal Tax Conference. The 1948 program was designated as the first Institute on Federal Taxation in the volume compiled from the 14 papers that were delivered at the conference. See Royal S. Van de Woestyne, Some Problems in Federal Taxation (The University of Chicago), at vi (1948).

So what's with these misdescriptions in the Law Review of Wally's commencement of service on the Planning Committee (see note 122, infra) and the Tax Conference's initial name (as described in this note 119)? Did
Wally know these statements were wrong? If he did, what if anything did he do to correct them? Perhaps his legacy would be further enhanced if he was a Planning Committee original, so he chose to be passive on correcting those misstatements. (I doubt that one to be correct: even if his humility was feigned, his legacy was already in the stratosphere.) Alternatively, perhaps he was tired of explaining to conference attendees and others that he did not start the U. of C. Tax Conference, he was not on the original Planning Committee, and he did not part the Red Sea.

120  Id.
121  Id. I was unable to verify that the Law School co-sponsored or formally played a role in the inaugural tax conference.
122  Krane, supra note 39, at 730. Stone, Wally, supra note 23, at 722, misdescribes Wally’s service as a member of the Planning Committee as having dated back to 1947 (i.e., two years too early).
123  Culbertson, SCt, 49-1 USTC ¶9323, Ct D 1723, 337 US 733, 69 SCt 1210 (1949).
124  Our Tax Conference was not the only tax institute that underemphasized international tax aspects as having a general appeal to the tax bar.
125  Lectures from the University of Chicago Second Annual Federal Tax Conference, TAXES, December 1949, at 1055. It appears that even more were presented, as TAXES states: “Due to the limitations of space in this issue, it unfortunately became necessary to omit some of the papers.”
126  TAXES, December 1949, at 1056.
129  Chirelstein, supra note 35, at 725.
132  Id. In fact, Wally reported that “it was unfortunately necessary to turn down almost a hundred applications because space was not available.” Walter J. Blum, Taxation in the Law School, LAW SCHOOL RECORD, Vol. 1, No. 3 (Spring 1952) 1, at 11, chicagounbound.uchicago.edu/lawschoolrecord/131/
133  THE LAW SCHOOL RECORD, 1953.
134  THE LAW SCHOOL RECORD, December 1953.
135  Id.
137  THE LAW SCHOOL RECORD, January 1955.
139  As noted earlier, there are some indicia of nepotism involving the Law School and the Tax Conference. See notes 21, 48, and 67 supra, and accompanying text. This extends to law firm nepotism. Who did you expect Bill to invite as opening speaker? (Repeat after me: “This is Chicago. I’m over it.”)
141  Part of the fun in reviewing the Tax Conference’s 70 plus years of programs is to see how its presenters’ and Planning Committee members’ law firm and accounting firm names have evolved. On the accounting firm side, longtime Planning Committee member Paul F. Johnson was affiliated with Ernst & Ernst, which became Ernst & Whinney, which merged with Arthur Young to become Ernst & Young, which ultimately abbreviated its name to become EY. On the law firm side, Frederick R. Shearer was affiliated with Mayer, Friedlich, Spiess, Tierney, Brown, and Platt, which eventually became Mayer Brown & Platt, which ultimately became Mayer Brown.
Less enjoyable has been the recognition of how many tax experts (Conference speakers, panelists, and Planning Committee members) were affiliated with law and accounting firms that have merged into oblivion or, worse yet, disbanded. And let’s not forget Chicago-based Sears, Roebuck and Company, employer of the tax executive (Robert R. Jorgensen) whose originating suggestion led to the creation of the Tax Conference.


145 Having recognized that the offices of Kirkland & Ellis were for a long time located in the Pru, high above its Auditorium, I wondered whether a K&E Planning Committee member might have been the impetus for the Conference’s move there. Howard Krane shot down my theory; he informed me he was Kirkland’s first member of the Planning Committee, and the Tax Conference’s meetings had been at the Pru before he joined. Krane Interview, 12/10/21.

146 Krane, supra note 39, at 732.

147 As announced in the ABA Journal at 834.


149 I was a third-year tax associate at my law firm when the 1976 Act passed. Both my Law School classmates and my peers at Katten, believing that titles of legislation mattered and a Tax Reform Act would surely bring meaningful and lasting tax reform, sincerely and worriedly asked me what I was going to do for a living now that the Tax Reform law would be putting me out of work. I did not know, but I informed them, “there are only two things certain in life, and taxes is one of them, so I hope there will still be a need for tax lawyers.” Hindsight has proven me right, for once.


151 Id., at 776.

152 His paper, Commissioner’s Remarks on Abusive Tax Shelters, see note 150 supra, at 774, was the lead article in the 30th Annual Tax Conference compendium. The paper begins (before dropping the guillotine), “I am pleased to have this opportunity today to tell you a little about what the Internal Revenue Service is doing about tax shelters and to give you some advance information about new revenue rulings on the subject.”

153 It has been observed that some of the Rulings were of questionable validity in the light of court decisions, but they had the (desired) in terrorem effect of interfering with the market for tax shelters. Willis, Postlewaite & Alexander: Partnership Taxation, para. 19.01[3].

154 Namely, the Prudential Building Auditorium, site of the Tax Conference for many years. Other than being the owner of two tiny Prudential Insurance Co. whole life insurance policies, I claim no Gumpian connection to that building or its auditorium. (Come to think of it, I did buy my second Pru life insurance policy in 1973, the same year I attended my first Tax Conference at the Prudential Building, see supra note 5.)

155 See note 128 supra and accompanying text.


157 Sam Cholke, Ronald Reagan’s Boyhood Home Demolished by University of Chicago, dnainfo.com, April 3, 2013, updated April 4, 2013. The University reportedly bought the building years earlier as part of a decade-long effort to buy all residential property immediately north of the University’s acclaimed hospital. Id. (Guess they don’t have to worry about preserving the President’s childhood home, either.)

158 I was an equity partner at my law firm when the 1986 Act passed. Both my Law School classmates and my peers at Katten, still believing that titles of legislation mattered and a Tax Reform Act would surely bring meaningful and lasting tax reform, sincerely and worriedly asked me what I was going to do to support my family now that the Tax Reform law would be putting me out of work. I did not know, but I informed them,
“there are only two things certain in life, and thanks to cryogenics, now there is only one—taxes, so I hope there will still be a need for tax lawyers.” Hindsight has proven me right, a second time!


Joe’s concluding paragraph proved prophetic: “The occasion for this piece is Walter’s retirement. Or so they say. The students won’t know it, since Walter will continue to teach and, one imagines, to hurtle like an express train along the tax landscape. Nor would I have known it if I had not been told, since I expect to find Walter, as always, one floor above and two steps ahead of me.” Isenbergh, supra note 36, at 737.

Wally continued to teach after his ‘retirement’ as an emeritus faculty member, including the “Taxation of Individual Income” course until the year of his death, as confirmed in the annual Law School Announcements for 1989–1994.

Burton W. Kanter, TAXES, December 1984, at 879.

Willard B. Taylor, TAXES, December 1984, at 848.

W. Timothy Baetz, TAXES, December 1984, at 996.

Me, TAXES, December 1984, at 942.

Krane, supra note 39, at 732.

Chronicle Obituary, supra note 103.

Tribune Obituary, supra note 130.


Krone Interview, 12/10/21.

Telephonic interview of Jeffrey T. Sheffield on December 9, 2021 by the author.

Sheffield email, 12/17/21.

Contrast my experiences. See note 6, supra and accompanying text.

See Douglas G. Baird, University of Chicago Law School, www.law.uchicago.edu/faculty/baird. His articles, books, and other legal writings are there listed at length. When we last visited that site on 12/12/21, we learned that Professor Baird’s first tax article is his most recent, and that it was published—you guessed it—in TAXES last year! See Douglas G. Baird, A Cause for Distress? Ways the Federal Income Tax Pushes Taxpayers into Bankruptcy, 99 TAXES 63 (2021).

Douglas G. Baird, Remembering Walter, 62 U. CHI. L. REV. 1339, 1339 (1995), available at chicagounbound.uchicago.edu/uclrev/vol62/iss4/2 (“My last conversation with Walter…. [was] just a week or so before he died …. The new head of the Tax Conference had to be picked …. ”).

Email dated December 13, 2021 from Jeffrey Sheffield to the author (hereinafter the “Sheffield email, 12/13/21”).

There is nothing I encountered in preparing this article that might indicate that the Conference’s annual publication in TAXES—not a peer-reviewed journal in the purely academic sense—was inconsistent with the University’s mission of providing high intellectual content. This is further evidenced by (now former Dean) Baird’s own publication in TAXES last year of his first tax article! (See note 175, supra.)

Sheffield email, 12/13/21. (“I believe I said that the conference was supported by the law firms of planning committee members, and that I would make sure that the firms covered the cost.”)

With the success of the Conference and increased revenues from 2003 to date, the Planning Committee members have not faced material funding issues.

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This illustrates that sometimes relatedness/nepotism is not a bad thing.


I.e., Planning Committee members Eric and Andrew Solomon, who are no more related to each other than they are to unsung Revolutionary War hero Haym Salomon.


Any doubts that then Dean Douglas Baird had back in 1998 about the intellectual content of the Tax Conference (as described in the text accompanying note 175 supra) had clearly evaporated by 2021 when Professor Baird appeared on a Tax Conference panel.

In Chicago, we take our fire code capacities seriously. (The maximum capacity in the Gleacher Center classroom used by the Tax Conference is 134. Email from Karen Dalton, assistant to Conference Chair Rachel L. Cantor, to the author dated 12/8/21.)

The University’s “visitor” policy at the time did not preclude “visitors” being invited regardless of vaccination status. After some negotiation with University representatives, the Planning Committee was informed that the Planning Committee’s imposition of a vaccine requirement was okay, but the University’s registration website would say nothing about proof of vaccination status and not assist in the collection of proof. Email dated January 15, 2022 from Rachel L. Cantor to the author (the “Cantor email, 1/15/22”).

Email dated December 10, 2021 from Rachel L. Cantor to the author (the “Cantor email, 12/10/21”).

No other tax conference “has the preeminence of Chicago. Any such statement, of course, is subject to challenge as subjective and parochial. Nevertheless, by almost any criteria, Chicago’s tax conference leads the pack.” Krane, supra note 39, at 731.

See Part XI.D., supra.

Rachel Cantor, Opening Remarks, 74th Tax Conference, November 5, 2021.

Krane, supra note 39, at 732.
See Part XV., text preceding text at footnote 202 *supra*. At the 2021 Conference, Rachel felt “a deeper sense and connection to this community [of attendees], and this year we all really needed and hungered for that. …I now understand and appreciate the dinner more fully.” Cantor email, 1/15/22.

Bowen Interview, 1/7/22.

Doyle email, 1/5/22. See text accompanying note 62 *supra*.

Carman email, 1/11/22.

Barry email, 1/12/22.

Cantor email, 12/10/21.