

# Thirty Years of Hartman

Hear from stalwarts who were in the room 30 years ago and almost every year since!

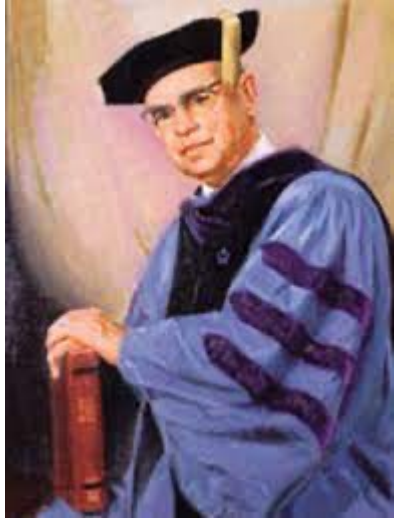
# The Players

- Marilyn Wethekam
  - Of Counsel, Council on State Taxation (COST)
  - [mwethekam@cost.org](mailto:mwethekam@cost.org)
- Kendall Houghton
  - Partner, Alston & Bird LLP
  - [Kendall.Houghton@alston.com](mailto:Kendall.Houghton@alston.com)
- Joe Huddleston
  - Managing Director, EY LLP
  - [Joe.Huddleston@ey.com](mailto:Joe.Huddleston@ey.com)
- Mike Sontag
  - Member, Bass Berry & Sims PLC
  - [msontag@bassberry.com](mailto:msontag@bassberry.com)
- Bill Backstrom (Moderator)
  - Partner, Jones Walker LLP
  - [bbackstrom@joneswalker.com](mailto:bbackstrom@joneswalker.com)

# The Roles Played

- Marilyn
  - Attorney – private practice, industry and now COST
  - Hartman Advisory Board Member since 2008
- Kendall
  - Attorney – COST and private practice at Alston and Bird
  - Hartman Advisory Board Member from 2006-2016
  - Hartman Board of Trustees Member since 2017
- Joe
  - Attorney – private practice, government and consulting
  - Commissioner of Tenn. Dept. of Rev. (1987-1995)
  - Executive Director of the Multistate Tax Comm.
  - Hartman Board of Trustees Founding Member
- Mike
  - Attorney – lifer at Bass Berry
  - Hartman Board of Trustees Founding Member
- Bill
  - Attorney – lifer at Jones Walker
  - Hartman Advisory Board Member since 1998

Over 90 Hartman presentations by the Team



## Who Was Paul J. Hartman?

Nickname – The Dutchman

# Prof. Paul J. Hartman

- In the 1960's, he served on Advisory Group for the Willis Committee
- Masters and Doctorate degrees from Columbia University
- Joined law faculty at Vanderbilt University Law School in 1949
- In 1968, Prof. Hartman received the Thomas Jefferson Award for extraordinary contributions to the university and its faculty
- The Vanderbilt student bar association cited Prof. Hartman as "Outstanding Professor of the Year" in 1975
- Vol. 29, No. 2 (March 1976) of the *Vanderbilt Law Review* is a Special Issue in Honor of Professor Paul J. Hartman

# Prof. Paul J. Hartman

- Prof. Hartman’s scholastic works, especially in the field of SALT, are too extensive to list here, but . . .
- Prof. Hartman’s seminal work in the field of SALT was his 1953 book, *State Taxation of Interstate Commerce*
- Published a series of “surveys” of Tenn. SALT law from 1956-1964
  - One of Prof. Hartman’s colleagues wrote about the Tenn. surveys:
    - “One can imagine that Tennessee practitioners and judges were, as a result, better versed in these matters than their counterparts in other states.”
- On his dedication to Vanderbilt Law School, one alumni wrote:  
“The School has no better salesman.”

# Prof. Paul J. Hartman

- Prof. Hartman’s “style” in the classroom is legendary
  - On a first-year law student slow to recite: “Mr. Johnson, don’t make a noise like an oyster.”
  - To the unprepared student: “Mr. Williams, this ‘U’ by your name does not stand for ‘Uncle.’ When I figure up your grade, it will hurt – H-U-R-T.”
  - On insistent hand wavers: “Look, I don’t want to see your hand flapping around unless my fly is open . . . and in that case, I would appreciate it. ...”
  - On recitations:
    - Successful - “Now you’re cooking with gas on the front burner.”
    - Unsuccessful - “. . . but there’s a gas leak over there.”
  - On professional ethics: “Always obey your conscience, but first be sure you don’t have the conscience of an ass.”
  - On suing the government: “I don’t lay this down as a rule of law, but as an observation: Uncle Sam usually wins.”

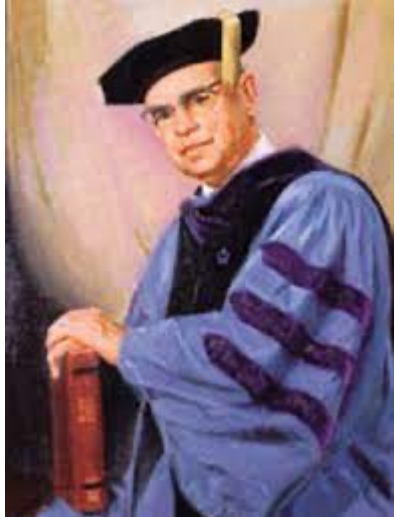
# Prof. Paul J. Hartman

- And last:
  - In response to a question posed by Prof. Hartman, the student began: “Well, I may be wrong, but . . . .”
  - To which the professor replied:
    - “MISTER SPEIGHT! NEVER SUGGEST THAT YOU MIGHT BE WRONG. A LAWYER IS NEVER WRONG, HE IS ALWAYS RIGHT, ALWAYS CONVINCED, ALWAYS DEDICATED TO HIS POSITION!!”
    - Lowering his tone: “Now, stand up and try again, and see if you can be positive this time.”
  - The student later wrote about the “teaching moment”:
    - “I have never since hedged, equivocated, or apologized to a court. I have decided what was right, prepared thoroughly, and dedicated myself to my position. I have been wrong, but never weak.”



# Prof. Paul J. Hartman

- Prof. Paul J. Hartman died on June 15, 1992, at the age of 81
- And that takes us to . . . .



## Who Was Paul J. Hartman?

Reflections from Joe Huddleston and Michael Sontag

# How Did All This (the SALT Forum) Begin?

Joe Huddleston was in the room, at the table and now tells the story.

# What are Distinguishing Characteristics of the Hartman SALT Forum?

Relationships, Professionalism, Collegiality and Content

# Why SALT?

Panel Members' Reflections on How They Found SALT

# Stated Differently, How Did We Get Here?



# Then, Now and the Future

## Key Themes and Topics

# The Agenda in 1994

- Emerging SALT Issues (Joe)
  - Taxation of non-resident entertainers/athletes, Tax Connect Project, wage reporting simplification method and federal legislation
- Nonbusiness Income (Marilyn)
- Moot Court – Geoffrey/Nexus
- Tax Implications of GATT/GATS and NAFTA for State Tax Sovereignty
- State Taxation of Pass-Through Entities
- Unconstitutional State Tax Taxes and Attorneys' Fees (Kendall)
- “Dear Commissioner: How Am I To Respond to Your Information Requests, Waivers, Nexus or Unitary Questionnaires and Discovery Requests?”
- Sales and Use Taxation of Information Services
- Incentives and Credits
- Financing State Government in the 1990s
- SALT Implications of M&A transactions
- California Update
- The Closer – “What’s happening in the World of State Taxation According to Paul Frankel?”



# What Was Not On the Agenda in 1994

- Digital Goods and Services (Other Than Information Services)
- Unclaimed Property
- Ethics
- 30 Years of Hartman
- Local Taxes
- Investee Apportionment
- Transfer Pricing
- Market-Based Sourcing
- Marketplace Facilitators' SALT Issues
- Financial Reserves Accounting
- Pillars
- OECD
- P.L. 86-272

# The Agenda in 2023

- Tax Practice Management
  - Changing of the Guard: Intentionality and Inclusivity in Succession Planning
  - Unleashing the Power of Automation: SALT in the Digital Era
  - State Audits and Controversy: Where the Rubber Hits the Road!
  - How Did This Tax Land on My Desk?

# The Agenda in 2023

- Developments in Indirect Tax
  - Expanding Sales Tax to Services – A Kentucky Case Study and Policy Analysis
  - Ever-Changing Trends in Sales and Use Tax Compliance
  - What Exactly Did I Purchase? The True Object and Similar Tests
  - These Ain't Your Grandma's Digital Products

# The Agenda in 2023

- Top 10 Income Tax Cases
- “Do the Due”: What to Do with Due Process
- Here a Local Tax – There a Local Tax – Everywhere a Local Tax
- What’s Next for State Budgets & Tax Policy?
- Tax Administrator’s Roundtable
- Investee Apportionment: Finding the Limits of the Unitary Business Principle
- Yours, Mine and Ours: Intercompany Transactions and Transfer Pricing
- Top 10 Sales and Use Tax Developments
- Ethics for the Next Thirty Years
- Market-Based Sourcing – Looking Through the Looking Glass
- Getting Salty with ASC 740 and 450
- Public Law 86-272 – Nexus and Sourcing in the Digital Age
- Recent SALT Developments in the PTE World
- Thirty Years of Supreme Court Decisions
- **PRESENTATION OF THE PAUL J. HARTMAN AWARD TO MARILYN WETHEKAM**

# Final Look at Then and Now

Let the 30<sup>th</sup> Begin!