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The Contemporary Tax Journal's Interview of Dean Andal

By: Jun Xie, *MST Student*



Mr. Dean Andal's distinguished career in the tax field includes serving in the California State Assembly and working for a large CPA firm. Mr. Andal is currently Director at PwC, focusing on tax policy matters. Prior to this position at PwC, Mr. Andal was a member of the California State Assembly from 1991 to 1994. Then, for eight years, Mr. Andal served as an elected Member of the California Board of Equalization where he also served as Chairman for two terms. Mr. Andal's public service also includes serving on the U.S. Advisory Commission on Electronic Commerce.

I had the pleasure of interviewing Mr. Andal on March 4, 2014 after we met at the 2014 TEI/SJSU Tax Policy Conference. In our follow-up conversation over the phone, Mr. Andal shared his experience in public sectors and advice for SJSU MST students. Below are questions I asked and a summary of Mr. Andal's responses.

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SJSU CTJ: How did you get involved in the tax field?

Mr. Andal began his tax career in 1991, when he won the election to become a California Assemblyman. He was the chief Republican budget negotiator and a member of the Revenue & Taxation and Ways & Means Committees. Over the four years in the Assembly with the above two committees, Mr. Andal heard all changes to tax bills. Then in 1994, he was elected to the California Board of Equalization. He was Chairman of this tax board twice. Serving on the Board of Equalization gave Mr. Andal the opportunity to hear thousands of tax bills, including both sales and income taxes - gaining a good understanding of various state tax issues. Over the years, he developed an expertise in California tax matters. In 1998, Mr. Andal was appointed by the speaker of the U.S. House of Representatives to the U.S. Advisory Commission on Electronic Commerce. He studied internet-related tax issues, and helped develop national policies regarding the taxation of e-commerce. After his career in public sectors, Mr. Andal joined PwC. Mr. Andal focuses on tax policies. Using his many years of experience in the government, he helps clients navigate through the ever-changing tax system.

SJSU CTJ: What led you to get involved in running for the State Assembly and Board of Equalization?

The answer to this question was interesting. Mr. Andal said, "I was young enough to run for the State Assembly". He mentioned his campaign experience in college helped him get involved in a public career. He was young and brave. He ran door to door to get support when he was running for the State Assembly. In addition, Mr. Andal's fundamental disagreement

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with how much government should be involved in certain areas was also the drive behind his involvement in politics.

SJSU CTJ: What stands out as one or two of your most significant accomplishments working in the Assembly or the State Board of Equalization?

As a strong advocate for tax reform and taxpayer service, Mr. Andal received the Friend of Taxpayers award from the California Taxpayers Association. Also, he is the author of the majority report of the Advisory Commission on E-Commerce. The report is still widely used by the Congress to address e-commerce related sales tax issues. In addition to his accomplishments in the tax field, Mr. Andal spoke highly of his participation in many education reforms, which focused on increasing the performance of students from low-income families. Mr. Andal served on a local school board, and during his term, the literacy score for African-American students doubled from 30% to 60%. He is a co-author of the first charter school bill.

SJSU CTJ: What do you think is one area of our California tax system that could/should be improved and why?

More conformity with federal tax is the one area of California tax system that could be improved. If not, there will be more complication in the tax system and higher compliance costs. Mr. Andal believes that this change can happen with the government spending more time conforming the California code to the federal code.

SJSU CTJ: When e-commerce was in its infancy, you played a key role in serving on the Advisory Commission on E-Commerce. What ACEC recommendation do you think is most important today? Do you think there would be any new recommendations if the commission were to issue a report in 2014?

Mr. Andal commented that there may or may not be a report in 2014 depending on who would be appointed to the Commission. He thought the most important recommendation today would be to synchronize sales tax with income tax, thus encouraging economic activities across-states. Similar to the income tax, having economic activities in a State should not trigger the State's sales tax.

SJSU CTJ: What advice do you have for tax students who want to be more involved in the tax policy area?

SJSU's MST program is an outstanding tax program, and Professor Nellen is widely respected among Big 4 firms. Mr. Andal commented that getting an education from the MST program adds great value for tax students. He advised students to also gain some knowledge of the political process, for instance, to understand how a tax bill is passed. He recommended students attend the meetings of the Assembly's Revenue & Taxation Committee and the Board of Equalization. He believes it is important to be on the other side of the table and to know how the government makes decisions.