Contemporary Issues in Taxation Research
Volume 2

David Salter and Lynne Oats
Contents

List of Contributors viii

1 Contemporary Issues in Taxation Research: An Overview 1
   David Salter and Lynne Oats

2 Owner Occupied Housing Taxation: A Vertical Equity Evaluation of the UK and US Tax Systems 5
   Phyllis Alexander

3 Tax treatment of virtual money 25
   Aleksandra Bal

4 From Moral Duty to Legal Rule: A Blueprint for Reform of Taxpayer Rights to Fair Treatment in the UK and Australia 37
   John Bevacqua

5 Assessing the Legal Status of HMRC Guidance: Some first thoughts 66
   Lynda Burkinshaw and Jane Frecknall-Hughes

6 Power of Authorities and Trust in Authorities Determine the Interaction Climate and Tax Compliance 87
   Katharina Gangl, Eva Hofmann, Barbara Hartl and Erich Kirchler

7 Corporate Social Responsibility and Tax Planning: Rules and Principles 103
   Hans Gribnau

8 Tax risk management and tax compliance behaviour: Findings from a study of large Australian companies 126
   Catriona Lavermicocca and Margaret McKerchar

9 Taxation and Trade: Examining the Relationship Between SADC Trade Agreements and Tax Agreements 170
   Puseletso Letete

10 Developing a Customs Agents Compliance Behaviour Model in relation to Import Tax in Malaysia: A Study inspired by the Theory of Planned Behaviour 187
   Mirza Mohamed, Andrew Grainger and Jane Guinery
11 Alignment of Tax Planning Functions and Activities with Corporate Strategy in Multinational Corporations 215
Emer Mulligan, James Gawley, and James Cunningham

12 An Evaluation of Two Alternative Approaches to Corporate-Shareholder Taxation of Inbound Investment for Australia 245
C John Taylor
List of Contributors

Phyllis Rea Alexander is a Senior Lecturer and Framework Leader in the Business School at Bournemouth University, United Kingdom. She joined the Business School in 2007 following a twenty year career as a US Certified Public Accountant. Her professional experience included general accounting and auditing services with a medium-sized accounting firm followed by international tax consultancy services with a Big4 accounting firm. She remains an active member of the American Institute of Certified Public Accountants and the New Jersey Society of CPAs. Her research interests include aspects of personal tax equity and efficiency, financial analysis, environmental reporting and taxation, corporate governance and fair access to higher education.

At the beginning of her academic career, Tim Vollans was a friend and mentor to Phyllis. Phyllis welcomes the opportunity to recognise her appreciation for Tim by contributing to this collection of essays.

Aleksandra Bal is a Tax Manager at the International Bureau for Fiscal Documentation (IBFD) in Amsterdam, The Netherlands. She is also the Managing Editor of the IBFD journal, The Bulletin for International Taxation. Aleksandra has two Masters degrees from Maastricht University (an LL.M in International and European Tax Law and an MSc in Fiscal Economics), and is finalising her PhD thesis on the taxation of virtual currency at Leiden University in The Netherlands. Prior to joining IBFD, Aleksandra worked as a tax consultant for Big4 firms in Germany, specialising in VAT. She publishes regularly on a wide variety of tax topics, especially on issues relating to the digital economy.

John Bevacqua is a lawyer admitted to practice in New South Wales, Victoria and Australian federal jurisdictions with almost twenty years of legal experience, including at top tier national commercial law firms specialising in tax litigation and taxation advisory roles. He commenced his full-time academic career in 2006, and, in 2010, completed his Doctorate in Tax Law at the University of New South Wales (UNSW), Sydney, Australia. His thesis examined the ability of taxpayers to claim compensation for operational errors by the Australian Tax Office. In 2011, John was awarded the CCH ATTA Australasian Doctoral Series Prize for this work. He joined La Trobe University as a Senior Lecturer in 2008, and he has taught Taxation Law and a range of Commercial Law subjects. He continues to publish in the field of taxpayer rights and remedies in Australia and elsewhere.

Lynda Burkinshaw is a Lecturer in Accounting and Finance at the University of Sheffield, United Kingdom. She has a degree in Accounting
and Finance awarded by Leeds Metropolitan University and she is a Chartered Accountant and Chartered Tax Adviser. Lynne spent her early career in practice with KPMG and, thereafter, worked in the tax department of a smaller firm. In 2007, she took up a lecturing post at Sheffield Hallam University before moving to her present post in 2012. Her research interests, which are closely allied to the experience she gained as a tax practitioner, are focused on the complexity of tax law and on the ways in which practitioners, within the context of tax law, extra-statutory material and guidance, provide advice to clients.

**James Cunningham** is the Director of the Whitaker Institute at the National University of Galway, Ireland. He is also a Senior Lecturer in Strategic Management at the J.E. Cairnes School of Business and Economics, National University of Ireland, Galway. His main research interests focus on strategy issues with respect to university research commercialisation, technology transfer, academic entrepreneurship and entrepreneurial universities. Awards for his research include three best paper awards at the Technology Transfer Society Annual Conference 2011, and a best paper award at the Irish Academy of Management Conference 2003. He has also co-authored strategy case studies that have won national and international case study competitions. His recent journal papers focus on entrepreneurial universities, scientists as principal investigators, university research and development collaborations and technology entrepreneurs’ planning during new venture format.

**Jane Frecknall-Hughes** is Professor of Accounting and Taxation in the Business School at the University of Hull, United Kingdom. Following graduation from the University of Oxford, Jane qualified as a Chartered Accountant and Chartered Tax Consultant and worked for KPMG. In 1992, she joined the University of Leeds. Whilst at the University of Leeds, Jane gained postgraduate teaching qualifications and she was awarded a Doctorate in Revenue Law and Tax Practice. She was also awarded a Master’s Degree (with distinction) in Commercial Law by the University of Northumbria in 2007. In 2008, Jane became Professor of Accounting at the Open University, and, thereafter, held, until taking up her current appointment in 2014 [this year], the post of Professor of Law and Head of Department of the Open University Law School. She is a Fellow of the Higher Education Academy.

Her research focuses on taxation from an interdisciplinary perspective. She has also been instrumental in leading tax research into the areas of strategic management (with particular reference to multinational enterprises and tax planning), international business, finance, history (including legal history), ethics, e-commerce and corporate governance. Jane has taught a wide range of subjects in the Accounting and Business Law areas (including
Contemporary Issues in Taxation Research


**James Galway** is International Operations Director at Aspect Software, Ireland. He is responsible for Aspect’s international operations, but he has a specific focus on manufacturing, real estate and large project delivery. James has an MBA from the Open University, and, currently, he is undertaking a part-time Doctorate at the J.E. Cairnes School of Business and Economics, National University of Ireland, Galway. His research interests encompass an interdisciplinary examination of tax planning and its alignment and linkages with corporate strategy and organisational structure from the perspective of a multinational corporation.

**Katharina Gangl** holds a post-doctoral position in the Faculty of Psychology at the University of Vienna, Austria. She has a Doctorate and Master’s degree from the University of Vienna. Her research interests focus on the impact of power and trust on tax compliance, problems of collective action and the psychology of crisis. She has published articles on tax psychology and the global financial crisis.

**Andrew Grainger** is a Lecturer in Logistics and Supply Chain Management in the Business School at the University of Nottingham, United Kingdom. He has a strong profile in the field of trade logistics and trade facilitation and, as a consultant, has advised international organisations and governments. His research interests include trade logistics and trade facilitation, trade and customs procedures, administration, law and regulation, port and border management, trade documents and standards, electronic trade and customs systems, and supply chain risk, security and resilience.

**Hans Gribnau** is Professor of Tax Law at Tilburg University in the Netherlands. He is also the Research Co-ordinator of the Fiscal Institute, Tilburg University and at Leiden University. Hans was awarded his Doctorate in 1998 by the Erasmus University, Rotterdam. He teaches Methodology of Tax Law, Procedural Tax Law and Legal Research Methodology. His current research is focused on the quality of tax regulation, the instrumental (regulatory) use of tax law, governance and tax ethics. He has published widely in these areas. In 2007, he was awarded the Giele-reward for his ‘substantial [research] contribution to tax justice in The Netherlands’. In Spring 2013, Hans was a Visiting Professor at the University of Antwerp, Belgium.

**Jane Guinery** is a Lecturer in Operations Management in the Business School at the University of Nottingham, United Kingdom. Prior to working in academia, she gained extensive experience in industry acting as a production engineer, applications engineer, product support manager and special projects manager as well as fulfilling in line management and factory
executive roles. She has managed the implementation of information and planning systems, lean systems, computer integrated manufacturing and quality programmes, and accreditations.

Her research interests include knowledge management, production planning and control systems, collaborative planning, lean systems, service evaluation, human factors and organisation design across industry and services (including healthcare).

Barbara Hartl is a Research Associate and Doctoral student in the Faculty of Psychology at the University of Vienna, Austria. Her research interests include tax compliance, co-operation in social dilemma, sustainable consumption and mental accounting. She is looking to publish articles on various topics, including the gender stereotypes of leaders.

Eva Hofmann is an Assistant Professor in the Faculty of Psychology at the University of Vienna, Austria. Her research focus is interdisciplinary and multi-methodological. It includes tax behaviour, sustainable consumption, creation of open source software, and the management of digital goods. She has published articles in journals, such as The Journal of Business Ethics and The Journal of Psychology.

Erich Kirchler is Professor of Applied Psychology in the Faculty of Psychology at the University of Vienna, Austria. He has been a Guest Professor at various universities in France, Germany, Italy and Switzerland and a Visiting Scholar at the University of Illinois, Urbana-Champaign, USA, and ANU, Canberra, Australia. His research focuses on money management in the household, expenditure and credit use, tax behaviour and the well-being of working people. He has published extensively in these fields. His books include Wirtschaftspsychologie: Individuen, Gruppen, Märkte, Staat (Economic Psychology: Individuals, Groups, Markets, Nation-State) 4th edition, 2011; Arbeits- und Organisationspsychologie (Work and Organisational Psychology), 3rd edition, 2011; Conflict and Decision Making in Close Relationships, 2001, and The Economic Psychology of Tax Behaviour, 2007.

Catriona Lavermicocca lectures in Taxation Law and is the Programme Director for the undergraduate and postgraduate Accounting programmes at Macquarie University, Sydney, Australia. Her research focuses on large company tax compliance behaviour, including the nature of tax decision making in a large company and the impact of reputational risk.

Puseletso Letete is an Associate Professor in Tax Law at the University of South Africa (UNISA) where she lectures in tax law at undergraduate and postgraduate level and supervises postgraduate students. She holds a Doctorate (in Tax Law) awarded by the University of Edinburgh, a Masters degree in Commercial Law awarded by the University of Cape Town and
an LL.B Honours Degree from the National University of Lesotho. Prior to joining the University of South Africa, Puseletso lectured in tax law and public international law at the National University of Lesotho. Her research interests focus on VAT and the taxation of cross-border transactions in the Southern African Development Community (SADC) and the Southern African Customs Union (SACU). She is registered as a Master practitioner by the South African Institute of Tax Practitioners.

**Margaret McKerchar** is Emeritus Professor of Taxation and former Head of the Australian School of Taxation (ATAX) at the University of New South Wales (UNSW), Sydney, Australia. Her main research interests are taxpayer compliance behaviour, tax policy, and research theory and its application (including mixed methodological designs).

**Mirza Mohamed** is a Doctoral Researcher in the Business School at the University of Nottingham, United Kingdom. Mirza is a Chartered Accountant. Prior to embarking on his postgraduate research, he was an Assistant Director of Customs in the Royal Malaysian Customs Department. His research is informed by the practical experience that he gained during his fifteen years with the Royal Malaysian Customs Department. His research interests include understanding business tax compliance, risk management, indirect tax compliance costs, trade and customs procedures and change management.

**Emer Mulligan** is Head of the J.E. Cairnes School of Business and Economics, National University of Ireland, Galway. She lectures on taxation and finance. Prior to joining academia, Emer was a tax manager with Pricewaterhouse Coopers in Dublin, Ireland. She completed her Doctorate on Tax Planning in Practice at the University of Warwick, and she is an International Fellow at the University of Exeter’s Tax Administration Research Centre (TARC). In 2014, Emer was awarded a Fulbright-CRH Scholar Award to carry out tax research at the Harvard Kennedy School of Government. Her research interests include tax planning in practice, tax and strategy, performance measurement of the tax function, tax risk management, tax lobbying and tax administration.

**C. John Taylor** is a Professor and Head of the Australian School of Taxation and Business Law (ATAX) at the University of New South Wales (UNSW), Sydney, Australia. He received a B.A., an LL.B and LL.M (Hons) from the University of Sydney, and was awarded a Graduate Certificate in Higher Education by UNSW. His main areas of interest of research have been capital gains tax, corporate – shareholder taxation, taxation treaties and tax simplification. He has been a contributing author to each of the eight editions of *Understanding Taxation Law* (Lexis Nexis). The journals in which he has published include: *Melbourne University Law Review, British Tax Review,*
Canadian Tax Journal, Bulletin for International Fiscal Documentation, Australian Tax Forum, E-Journal of Tax Research and Australian Tax Review. John was the inaugural Honorary Research Fellow of the Taxation Institute of Australia, and in that capacity was the principal author of *Beyond 4100: A report on measures to combat rising compliance costs through reducing tax law complexity*, Taxation Institute of Australia, 2006. From 2006 to 2007, John conducted contract research for the Commonwealth Department of the Treasury on anti-avoidance provisions in income tax. He has been a Visiting Professor/Scholar at Harvard University, The University of Cambridge, Leiden University, The International Bureau of Documentation, The University of British Columbia, The University of Western Ontario and The Plunkett Centre for Co-operative Studies.