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Editorial

This special edition arises from the Queensland Tax Researchers' Symposium (QTRS) hosted in 2013 by the Queensland University of Technology, and we thought it opportune to reflect of the history and purpose of this event.

More than ever, research is playing an important part in supporting proposed tax reforms and finding solutions to Australia's tax system. Also, for tax academics the importance of quality research is critical in an increasingly competitive tertiary environment. However, life for an academic can be an isolating experience at time, especially if one's expertise is in an area that many of their immediate colleagues do not share an interest in. Collegiately and the ability to be able to discuss research is seen as critical in fostering the next generation of academics. It is with this in mind that on the 5th of July 2010 the *Inaugural Queensland Tax Teachers' Symposium* was hosted by Griffith University at its Southbank campus. The aim was to bring together for one day tax academics in Queensland, and further afield, to present their current research projects and encourage independent tax research. It was for this reason that the symposium was later re-named the *Queensland Tax Researchers' Symposium* (QTRS) to reflect its emphasis. The Symposium has been held annually mid-year on four occasions with in excess of 120 attendees over this period. The fifth QTRS is planned for June 2014 to be hosted by James Cook University.

The QTRS was seen as a complement to the highly successful Australasian Tax Teachers' Association (ATTA) annual conference which has been held for 26 years (usually scheduled for January). The QTRS was timed to provide feedback on possible papers likely to be presented the following year at the ATTA Conference.

By bringing together tax academics and those interested in tax research, the QTRS enabled the sharing of ideas and the gaining of valuable feedback on work-in-progress. Also, through the QTRS research collaborations have been established to gain greater critical mass for tax academics that are largely isolated in their own institutions. This can be compared to the larger tax tertiary institutions that exist in New South Wales and Victoria. Furthermore, honours and PhD students are also encouraged to present, so as to provide them with the opportunity to gain valuable feedback on their research to date; as well as mentoring about their future careers.

While Griffith University played a leading role in establishing the QTRS it was very much a joint initiative between academics from the following universities: James Cook University, University of Queensland, University of Southern Queensland, Queensland University of Technology, Central Queensland University, Bond University and Griffith University. This joining of minds was seen as critical to ensure that the talented academics present in Queensland felt they could come together to contribute to a lively debate about current tax research. In this way, synergies were hoped to be realised. Also, by having such a successful event, it helps to raise tax as a discipline in our own tertiary institutions, where otherwise it may be overlooked.

Over the history of the QTRS there has been on average of 12 to 15 papers presented at each Symposium, with approximately 30 attendees each year. Also, each year a Plenary Speaker has been invited to share their valuable insights and leadership in the field. Over the last four years the Plenary Speakers have been (in chronological order):

1. 2010: **Associate Professor Justin Dabner** of James Cook University. Paper titled: *Undertaking empirical tax research: a personal experience*. Symposium hosted by Griffith University (sponsors: CCH and Thomson Reuters).
2. 2011: **Professor Margaret McKerchar**, University of New South Wales. Paper titled: *Ready or not? Examiner Expectations of Doctoral Theses in Taxation*. Symposium hosted by Griffith University (sponsors: CCH and Tax Institute). Symposium re-named to Queensland Tax ‘Researchers’ Symposium
3. 2012: **Professor Michael Dirkis**, University of Sydney. Paper titled: *White Noise? The Tax Policy Process*. Symposium hosted by James Cook University (sponsors: CCH, Thomson Reuters and Tax Institute).
4. 2013: **Professor Adrian Sawyer**, University of Canterbury. Paper titled: *Some reflections on what Editors and Referees are looking for in a high quality paper*. Symposium hosted Queensland University of Technology (sponsors: CCH, Thomson Reuters and Tax Institute).

The success of the QTRS saw the addition of an extra day in 2013 for Inaugural Meeting of the Australasian Tax History Chapter. This means that there is now a two-day forum held mid-year for tax researchers to come together.

Of course, sponsors play a critical role with ensuring initiatives such as this can continue, and the following sponsors have supported the QTRS over the years: CCH, Thomson Reuters and

the Tax Institute. In addition the following universities have provided important financial and in-kind support (Griffith University, Queensland University of Technology, James Cook University and the University of New South Wales).

We, like many other participants, have benefited from the QTRS in a number of ways. The QTRS has helped us to get to know many of the leading tax researchers in Queensland and further afield. It has assisted us in gaining valuable feedback and incentive to complete research projects, as well as the confidence to pursue our tax research careers. Indeed, the QTRS serves to re-invigorate us each year, as we come together with others that share our passion for tax, as they understand what an important role tax plays in society. We look forward to the QTRS continuing to play a part in improving the quality of tax research and supporting the next generation of tax academics. It is only from such a strong foundation that solutions to Australia's tax system can be found.

In line with the aims of the QTRS, the first article in this special issue, by Professor Adrian Sawyer, the Plenary Speaker for the 2013 event, investigates the process for publishing tax articles. Professor Sawyer's article, entitled *Demystifying the Challenges Involved in Publishing a High Quality Taxation Paper*, is designed to offer strategies to enhance the likelihood of successfully publishing your work. While Professor Sawyer's article is aimed at the more junior academic there is no doubt that all readers will benefit from his insights gleaned over the many years of his distinguished career, including over 20 years' experience as a journal editor, editorial board member, ad hoc reviewer and author. As Professor Sawyer points out, while many traditional research fields have well established guidance for successful publishing, the disciplines in which tax researchers publish have much less in the way of published guidance. He notes that this is especially the case when focusing on taxation as a discipline in its own right. With tax now viewed as a separate discipline by most who work in the field, Professor Sawyer provides timely advice for anyone wanting to either start publishing or wanting to aim at higher quality journals for, as he states, the 'importance of publishing papers in high quality journals is vital to the career of any academic, especially in the current academic climate'. Professor Sawyer concludes that it is the 'combination of a well-developed idea, meticulous planning and execution of the research, a thorough review of the target journal's scope and expectations, attention to detail in drafting the paper, and reasoned and reflective responses to guidance and recommendations from editors and referees, supplemented by some good fortune and natural talent' which ultimately leads to successful publication'. No doubt he is correct.

Our second article in this special issue is written by one of our regular attendees at the QTRS, Mr John Passant. As always, Mr Passant's article is on a highly contentious and political topic: the mineral resource rents tax. His article, entitled *The Mineral Resource Rent Tax – The Australian Labour Party and the Continuity of Change*, provides us with a longitudinal study of the proposal to tax resource rents in Australia through the lens of Australian politics. He argues that 'the poor health of the MRRT is a consequence of the nature of the Labor Party as a capitalist workers' party, the shifts in power and influence within its material constitution and in essence the ascendancy of capital in the capitalist workers' party'. After taking us through the journey of the history of the ill-fated RSPT and MRRT, Mr Passant concludes that 'the underlying economic crises of global capitalism, the crises of profitability in much of the developed world, the collapse in Australia of class struggle over the last 3 decades, the adoption of class collaboration by the unions, the weakening of their strength, the ALP's long slow dance with neoliberalism, and the Party's commitment to managing capitalism help explain both the RSPT proposal and its mini-me version, the MRRT, in the context of Labor as a capitalist workers' party and the changing nature of its relationship with the 2 major classes in Australia today, capital and labour.

We are very fortunate to have as a co-author on our third article Associate Professor Brett Freudenberg, the founder and inaugural host of the QTRS. In this article, entitled *The Impact of the GST on Mortgage Pricing of Australian Credit Unions: An Empirical Analysis*, Associate Professor Freudenberg, along with his co-authors Dr Benjamin Liu and Dr Allen Huang, investigate the impact of the GST on mortgage pricing and measure the GST shifting ratio of Australian credit unions. Again, given the rise of mortgage costs and the decline in housing affordability, this is a highly topical issue. As such their article is timely in its investigation of the impact of GST in mortgage costs in Australia. Not surprisingly, their quantitative study reveals that the introduction of the GST in Australia in July 2000 led to the substantial rise in mortgage costs charged by credit unions in the post-GST periods. No doubt, as their conclusion suggests, such findings have practical implications for regulators and policymakers in the banking industry in their contemplation of the proper regulations and policies to control and curb mortgage costs – especially the need to provide for greater competition in the sector. As they also conclude from their study, for the borrowers, the evidence suggests that lenders have passed the GST costs and more to them each year.

The QTRS came about because of the isolation of Queensland tax researchers, with each university only having one or two tax academics on staff. Little did we know that the annual event would attract researchers from far and wide. The final two articles in this special issue are authored by international academics who travelled to Queensland for the 2013 QTRS. Article four is authored by Dr Julie Harrison and Dr Mark Keating, both from the Business School at the University of Auckland, while article five is co-authored by Ms Raihana Mohdali, a lecturer at the Universiti Teknologi Malaysia, and doctoral student at Curtin University, and Professor Jeffrey Pope from Curtin University.

In article four, entitled *The Deductibility of Sarbanes-Oxley Costs incurred by Australasian Companies*, Drs Harrison and Keating examine the nature of the costs incurred by Australasian and New Zealand subsidiaries of US parent companies related to their parent's regulatory reporting requirements under the Sarbanes–Oxley Act of 2002 (SOX). They note that some SOX costs are incurred directly by subsidiaries, while other charges are made by the parent as part of an intra-group service charge. Their investigation centred around the fact that tax authorities generally view these costs as “shareholder activities” i.e., activities performed for the benefit of the US parent only, and as such, are considered non-deductible to the subsidiaries of US parents, because an independent party dealing at arm's length would not pay to receive similar services. Deductibility is analysed in this article under both the general deductibility provisions and the transfer pricing regimes of Australia and New Zealand. Reference is also made to the OECD transfer pricing guidelines and the US transfer pricing regulations. Drs Harrison and Keating conclude that SOX compliance costs should be deductible to the local subsidiary if a valuable benefit relating either to increases in local efficiency or decreases in local cost can be demonstrated. They argue that this would satisfy both the general deductibility rules related to business expenditure incurred as a necessary cost of running a business and the transfer pricing rules related to shareholder services.

Article five, entitled *The Influence of Religiosity on Taxpayers' Compliance Attitudes: Empirical Evidence from a Mixed-Methods Study in Malaysia*, by Ms Mohdali and Professor Pope, deals with an issue that affects governments around the world, that of tax compliance. There is limited literature on tax compliance from the perspective of developing countries, and particularly Malaysia. As such, this final article makes a significant contribution to the field. In their study, Ms Mohdali and Professor Pope, find that Malaysians are considered to have a strong positive tax compliance attitude and that

religiosity has a statistically significant positive impact only on voluntary tax compliance. They posit that this can probably be explained by the strong religious values held by many Malaysians as well as the concept of giving which has been emphasised in almost all religions.

We wish to thank Professor Ellie Chapple for the inviting us to be Guest Editors of this special issue of the Accounting Research Journal. In line with the journal objectives we have aimed to include articles which we believe are in emerging areas of contemporary tax research. The five articles embrace a range of methodological approaches and should appeal to a wide a varied readership. Finally, we hope you enjoy reading the articles as much as we enjoyed being guest editors of this special issue. We encourage anyone with an interest in tax research to consider attending and presenting at future Queensland Tax Researchers'' Symposiums.

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