Episode 17 – On the Latest Tax Research

This document provides resources for educators looking for ways to incorporate current events into their curriculum. Each podcast episode is approximately 20 minutes long and available on all major podcast outlets for free. This document provides opportunities for either short-answer/essay-style questions or discussion questions to delve further into topics. Email taxnerds@gmail.com for an answer key.

In this episode, we discuss some tax research presented at the 2022 Midyear Meeting of the American Taxation Association. The two papers we focus on are:

Does corporate tax avoidance affect firm productivity? by Spyridon Gkikopoulos, Edward Lee, Konstantinos Stathopoulos
and
Check Your Attitude: An Examination of Companies' Attitude toward Tax Enforcement by Hannah Judd, Sean McGuire, Connie Weaver, and Junwei Xia.

Concepts covered

- Taxes and productivity
- Tax disclosures
- Corporate taxpayers' approaches to controversy

Short answer/essay or in-class discussion questions

1. In your own words, explain how corporate tax avoidance could spur productivity, especially related to intangible assets.

2. Companies' tax burdens can be reduced through either reductions in the statutory tax rate or through deductions and credits targeted at specific behavior. Brainstorm which of these approaches might be more effective in spurring productivity.

3. Discuss the potential pros and cons of a corporation disclosing an adversarial attitude toward the tax authority.

4. As an investor, would you prefer a corporation take an adversarial or a cooperative approach to dealing with the tax authority? Justify your response.