

Oxford University Centre for Business Taxation Annual Report 2017

 Oxford University
Centre for
Business Taxation



Oxford University Centre for Business Taxation

The Oxford University Centre for Business Taxation is an independent research centre which aims to promote effective policies for the taxation of business.

The Centre undertakes and publishes multidisciplinary research into the aims, practice and consequences of taxes which affect business. Although it engages in debate on specific policy issues, the main focus of the Centre's research is on long-term, fundamental issues in business taxation. Its findings are based on rigorous analysis, detailed empirical evidence and in-depth institutional knowledge.

The Centre provides analysis independent of government, political party or any other vested interest. The Centre has no corporate views: publications of the Centre are the responsibility of named authors. The Centre is not a consultancy: it reserves the right to publish the results of its research.

The Centre's research programme is determined on the basis of academic merit and policy relevance, and is the responsibility of the Director and the Centre's Steering Committee. Decisions on the Centre's research programme and the content of research are taken independently of the views of the Centre's donors and other funding agencies and comply with the University's Donor Charter <https://www.campaign.ox.ac.uk/donate/donor-charter>. All research carried out at the Centre is undertaken with a view to publication.

The Centre complies with the University's policy on conflict of interest.

If you would like to receive our e-newsletter and information about our events please email cbt@sbs.ox.ac.uk.

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Introduction

This report summarises the activities of the Centre for Business Taxation between August 2016 and July 2017.

Over this period, the big tax policy issue for the Centre was the intense debate in the United States about the destination-based cash flow tax (DBCFT), or the border adjustment tax as it has been known in the US. Those who have attended CBT conferences in recent years will know that the CBT has been actively researching this idea. In fact, I have personally been working on it since 2001, when I first set out the idea in a paper with Stephen Bond. Since then I have worked on the proposal with a number of colleagues, including Alan Auerbach, Rita de la Feria and John Vella.

The Ways and Means Committee of the House of Representatives published their blueprint proposal “A Better Way” in June 2016, shortly before the CBT organised a conference in Washington DC jointly with the US Tax Policy Center, to outline the work of the CBT’s international business tax group. That group – containing leading economists and lawyers from Europe and the USA – has spent much time on both the broad economic concepts and practical administration of fundamental reform of the international tax system, including the DBCFT. The group published a lengthy paper on the DBCFT proposal in January 2017 – a brief summary of the ideas is presented in the Research Highlights section of this report.

Of course, that debate about fundamental reform took place as the OECD’s BEPS proposals were rolled out in the UK and elsewhere. Whilst not as fundamental, those reforms are far reaching, and CBT contributed to the debates on implementation with several publications. Perhaps most significant was an Oxford University Press book – *Transfer pricing and the Arm’s Length Principle after BEPS* – written by CBT Associate Fellow Richard Collier with Joe Andrus, previously Head of Transfer Pricing at the OECD. The book brilliantly traces the development of the arm’s length principle since the 1920s and provides a robust analysis.

Another element of CBTs’ research over the last few years has been extensive analysis of confidential tax return data, made available by the HMRC in its Datalab. The CBT has pioneered research using these data, and has produced a stream of academic papers analysing the impact of taxes on business behaviour. That work was funded by the Economic and Social Research Council (ESRC), and a selection of the CBT’s work was presented at a public conference with the HMRC in March 2017. We also organised two separate

events – including a conference at the British Academy in June 2017 – on “Different ways of working: reforming employment law, tax and social security for the 21st century”, which brought together leading speakers from economics, employment law, taxation and social security, and from several countries, to consider issues in regulating and taxing the labour market.

This year also saw the first teaching on our new MSc in Taxation, developed and taught in collaboration with the Oxford University Law Faculty. This is a two-year, part-time, interdisciplinary programme in which we aim to ensure that students not only acquire a detailed understanding of technical law, but also the ability to think deeply about the underlying policy considerations. An element of interdisciplinarity runs through the whole degree. We have had an extremely positive response from our first exceptional cohort of students. In September 2017, they were joined by the second cohort, and we had around 60 students taking two separate modules for a week at St Hugh’s College, Oxford.

Prompted by the US debate, the BEPS project and several high profile developments in the EU, international tax remained in the headlines this year. This created an unprecedented demand for balanced comment and explanation by the CBT from all the major UK and US media outlets. Among many other things, I co-wrote an op-ed on the DBCFT in the New York Times with Alan Auerbach.

Senior Research Fellow John Vella spent part of the year on sabbatical at Georgetown University and the IMF. And since January 2017, Anzhela Cédelle has been partly on leave from the CBT while working for the OECD in Paris. Anzhela was also awarded a highly prestigious British Academy’s Rising Star Engagement Award; these awards are made to a small cohort of distinguished early career academics across the whole range of the humanities and social sciences to enable their active engagement in the work of the Academy and to enhance their skills and career development through interdisciplinary projects. Anzhela’s project is *International Tax Cooperation: Exploring the Shift towards Multilateralism*.

As in previous years I am grateful to a number of businesses for their generous support; and also for their recognition of the need for the CBT to have academic independence. We have also relied heavily on financial support from the Economic and Social Research Council and the Nuffield Foundation.

Michael Devereux
Director



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Robert Stack (Deloitte, Washington) speaking at the CBT Summer Conference 2017



Paul Johnson (IFS) speaking at the CBT Summer Conference 2017



International Taxation Group – Paul Oosterhuis, Alan Auerbach, Michael Devereux (front), Wolfgang Schoen, Mick Keen and John Vella

Research Highlights 2016-7

Destination-based cash flow taxation

Alan Auerbach, Michael Devereux, Michael Keen and John Vella
CBT Working Paper 17/01

This paper sets out a possible approach to the international taxation of corporate profit: a destination-based cash flow tax (DBCFT). The idea of the DBCFT was first set out in a paper by Stephen Bond and Michael Devereux in 2001, and is one of a number of options that have been considered over the last three years by CBT's group of economists and lawyers, chaired by Michael Devereux. The other current members of the group are Alan Auerbach, Michael Keen, Paul Oosterhuis, Wolfgang Schön and John Vella. In June 2016, the Ways and Means Committee of the US House of Representatives published a Blueprint document "A Better Way for Tax Reform", which proposes a version of a DBCFT. Given the recent US debate on this proposal, we summarise the paper in some detail here.

The DBCFT has two basic components.

- The "cash flow" element gives immediate relief to all expenditure, including capital expenditure, and taxes revenues as they accrue.
- The "destination-based" element introduces border adjustments of the same form as VAT: exports are untaxed, while imports are taxed.

This is equivalent in its economic impact to introducing a broad-based, uniform rate VAT and making a corresponding reduction in taxes on wages and salaries.

The paper evaluates the DBCFT against five criteria: economic efficiency, robustness to avoidance and evasion, ease of administration, fairness and stability. It does so both for the case of universal adoption by all countries and the more plausible case of unilateral adoption.

- A central motivation for the DBCFT is to improve economic efficiency by taxing business income in a relatively immobile location – the location of final purchasers of goods and services (the "destination"). The DBCFT should not distort either the scale or the location of business investment and eliminates the tax bias towards debt finance.
- Taxing business income in the place of destination has the advantage that the DBCFT is robust against avoidance through inter-company transactions. Common means of profit shifting – including the use of inter-company debt, locating intangible property in low-tax jurisdictions and mispricing inter-company

transactions – would not be successful in reducing tax liabilities under a DBCFT.

However the distinction between universal and unilateral adoption is important. With adoption by only some countries, those not adopting are likely to find their profit shifting problems to be intensified as companies may seek to shift profit to countries adopting a DBCFT. These issues are explored in more detail in a separate paper by the same co-authors: **"International tax planning under the destination-based cash flow tax"**, *CBT Working Paper 17/17*.

- The DBCFT provides long term stability since countries would broadly have an incentive to adopt it – either to gain a competitive advantage over countries with a conventional origin-based tax, or to avoid a competitive disadvantage relative to countries that had already implemented a DBCFT. It would also be resistant to tax competition in tax rates.

The effective incidence of the tax would be on domestic residents financing consumption other than from wages, including from profit subject to the DBCFT. The DBCFT would be more progressive than a single rate VAT, and probably more so than existing corporate taxes. Fairness between countries is harder to assess, but – combined with taxes on natural resources – preliminary evidence suggests that few countries would be likely to see a reduction in their tax base as a result of border adjustment in itself.

The paper also looks closely at the application of DBCFT treatment to the financial sector, and raises and discusses a number of significant implementation issues – both administrative and legal.

The destination-based cash flow tax and double tax treaties

Richard Collier and Michael Devereux
CBT Working Paper 17/06

This paper discusses how a DBCFT, if adopted by one or more states, would fit with existing double tax treaties. Given that the form of double tax treaties is based on the assumption that both contracting states operate a traditional income tax system and given that a DBCFT is economically equivalent to a VAT combined with a reduction in payroll taxes, it is not surprising that treaties are poorly equipped to accommodate a DBCFT.

The treatment of a DBCFT under a double tax treaty depends crucially on whether a DBCFT is within the scope of the "taxes



Michael Devereux and John Vella teaching participants on the MSc in Taxation

Measuring corporation tax uncertainty across countries: Evidence from a cross-country survey

Michael P. Devereux
CBT Working Paper 16/13

This paper presents the results of a survey of senior tax professionals in large businesses and in professional firms on the uncertainty of corporation tax in major countries. The survey was undertaken between January and March 2016. 88 respondents answered questions about 25 countries. The respondents were from businesses in 10 different countries. Over 10% of the world's businesses with turnover in excess of \$5 billion were respondents. The main results were as follows:

- Of 21 countries analysed, BRIC countries take up 4 of the top 5 places in respondents' assessments of the extent of corporation tax uncertainty.
- In the last 5 years, corporation tax uncertainty has increased in 20 out of 21 countries analysed.
- Overall, respondents ranked corporation tax uncertainty third in a list of factors influencing business investment and location decisions. 72% ranked this as either 4 or 5 on a scale of 1 to 5 with 5 indicating "extremely important". This was more important than the anticipated tax rate itself.
- In the experience of respondents, BRIC countries take up the top 4 places in frequency with which corporation tax uncertainty has had a serious impact on business decisions.
- The single most important factor in determining uncertainty is "unpredictable or inconsistent treatment by tax authority". However, the importance of different factors varies across countries, and this factor is more important in BRIC countries than in the UK and the USA. Another factor, very important in both groups of countries, is "complexity in the tax code".

This work formed the basis of a subsequent study and survey undertaken by the OECD.

Where does multinational investment go with territorial taxation? Evidence from the UK

Li Liu

CBT Working Paper 17/05

In 2009, the UK reformed its taxation of corporate foreign source income from a worldwide to a territorial tax system. This reform largely abolished the dividend tax imposed on UK multinationals repatriated from low-tax countries, without affecting the taxation of dividends repatriated from high-tax countries. This paper assesses the causal impact of dividend tax reform on real outbound investments by UK multinationals, using a unique dataset of multinational subsidiaries in 27 European countries. The results indicate that the tax reform increased the outbound investment by UK multinationals to low-tax countries by around 15.7 percentage points. There is no strong evidence of any concurrent reduction in investment by UK multinationals in high-tax countries or domestically. This suggests a likely increase in total outbound investment and total investment by UK multinationals. The reform is estimated to have a strong effect: a £9 increase in the outbound investment of UK multinationals for each £1 of domestic tax revenue loss.

Implications of digitalisation for international corporate tax reform

Michael Devereux and John Vella

CBT Working Paper 17/07

This paper examines the challenges, and the opportunities, created by digitalisation for the taxation of multinational profit. Starting from the same approach as the European Commission Expert Group and the OECD, the paper argues that it is not sensible to attempt to “ring-fence” the digital economy as if it were distinct and separate from the rest of the economy. But it diverges from the OECD BEPS project in addressing the question of what is the appropriate conceptual basis for the location of taxation.

The paper considers a number of ways in which greater digitalisation has helped to increase the internationalisation of business – for example, shareholders and customers may be located in different countries, and the company itself can organise itself in complex supply chains also covering many countries. These factors pose significant problems for the current national taxation of such international businesses, which is based on arbitrary distinctions between countries (residence v source) and between types of income (active v passive). Fundamental reform is required to address the problems arising from these distinctions.

Some problems might in principle be helped by digitalisation. To the extent that tax records are digitised, and possibly combined with other data, for example, from banks, then the problems of information for these systems may eventually be overcome.

There are also issues that arise particularly in digital companies. One involves the case where cash sales are made to advertisers in one country and where the advertisements appear on screens of users in another country. This may be combined with the use of information provided freely by those users. At the moment, there is little attempt to levy a tax in the country of the users. There is a case in principle for tax to be levied in the country of the user, but there remain significant practical and conceptual difficulties in doing so.

How much tax do different types of company pay in the UK?

Katarzyna Habu

CBT Working Papers 17/13 and 17/14

This pair of papers explores the question of how much corporation tax different types of company pay in the UK. It uses the population of confidential UK corporate tax returns made available by HMRC in its Datalab. The main results are as follows.

- Multinational companies pay 55% of UK corporation tax, despite constituting only 3% of the population of companies in the UK. However, on average multinationals pay considerably less tax relative to their size compared to domestic companies. The fraction

of tax revenues collected from multinationals has declined over time.

- Differences between size, sector and leverage partially explain the large gap in the ratio of taxable profits to total assets between multinationals and domestic companies.
- The paper uses the technique of propensity score matching to compare foreign-owned multinationals and domestic companies matched by size. For this set of comparable companies, the ratio of taxable profits to total assets reported by foreign multinational subsidiaries is on average 12.8 percentage points lower than that of comparable domestic companies, which report an average ratio of 25.2 percent. The difference is almost entirely attributable to the fact that a higher proportion of the subsidiaries of foreign multinationals report zero taxable profits (59 percent) than domestic companies (28 percent).
- Comparison of propensity score matching results using data from financial accounts indicate much smaller differences than using data from tax returns.
- The propensity score matching is able to analyse only the smaller subsidiaries of foreign-owned multinationals. Larger multinational subsidiaries tend to have a lower ratio of taxable profit to total assets.

Katarzyna has been a CBT researcher and an Oxford DPhil student in economics, supported by CBT. These papers formed part of her DPhil thesis, which she successfully defended in June 2017. She is currently a post-doctoral fellow at the National Bureau of Economic Research in Cambridge, Massachusetts.



Victoria Perry (IMF) speaking at the CBT Summer Conference 2017

Policy engagement 2016–17

Members of the Centre for Business Taxation have engaged with policy-makers in several ways – attending private meetings, giving public talks, and writing and disseminating briefing papers. They have also been active in briefing journalists and appearing on the broadcast media. The US debate on destination-based taxation led to unprecedented coverage of CBT research in the US media.

The work undertaken by CBT researchers in the HMRC Datalab has been discussed at length with HMRC officials, in several private meetings. CBT held a joint conference with HMRC in March 2017 to present the results of a three year ESRC-financed project to use tax return data to examine the impact of business taxation on various aspects of business decision making.

Other specific elements of policy engagement include the following:

Michael Devereux and Katarzyna Habu undertook research in the HMRC Datalab on behalf of the Office of Tax Simplification to compare taxable profit with measures of profit declared in financial statements. This drew on other research undertaken by CBT in the Datalab which has matched financial statement data with tax return data at the level of individual companies.

Michael Devereux advised the OECD on its work on tax certainty, and in particular on a survey that it conducted. The OECD survey drew heavily on a prior survey undertaken by him.

Michael Devereux met the Chairman – Kevin Brady – and staff of the Ways and Means Committee of the US House of Representatives, to discuss their proposal for introducing a destination-based cash flow tax in the United States.

Michael Devereux presented research on tax transparency at the Public Accounts Committee “Global Tax Transparency Summit” in London in December 2016.

Judith Freedman organised a day-long seminar in December 2016 on “Different ways of working: reforming employment law, tax and social security for the 21st century” with representatives of several UK government departments, as well as a number of academics from different backgrounds. This led to a public conference on the same topic in June 2017.

John Vella presented work on the destination-based cash flow tax to officials of the Federal Reserve Board in Washington DC in February 2017. He and **Michael Devereux** met with officials again in April 2017 for further discussions.

Michael Devereux and John Vella presented research on taxation in the digital economy to an IMF conference on “Digital Revolutions in Public Finance” in Washington DC in April 2017. **Michael Devereux** also presented research on tax competition to another IMF conference on “International Tax Competition: Challenges for Developing Economies”, also in April 2017.

Irem Guceri also presented work on tax incentives for research and development to officials of the Federal Reserve Board in Washington DC in May 2017.

Judith Freedman presented research on social mobility and entrepreneurship at a European Commission Tax Fairness conference in Brussels in June 2017.

Several members of the CBT research team met HM Treasury officials in July 2017 to present CBT research and to discuss several business taxation policy issues.



Delegates at the Academic Symposium 2017



Delegates at the Public Economics UK Conference, 2016

Academic Conferences

Academic Symposium 2017

Saïd Business School, Oxford

June 2017

The Centre hosted its eleventh annual academic symposium in June 2017. As in previous years, we attracted the world's leading academics in business taxation for a 3-day conference to discuss the most recent academic research in business taxation. Fifty academics attended, with expertise in economics, law and accounting. Papers covered a wide variety of the Centre's interests.

Speakers included:

- Jim Albertus, Carnegie Mellon University
- Rosanne Altshuler, Rutgers University
- Johannes Becker, University of Muenster
- Jennifer Blouin, University of Pennsylvania
- John Brooks, Georgetown University
- Wei Cui, University of British Columbia
- Ruud de Mooij, IMF
- Aaron Flaaen, Federal Reserve Board of Governors
- Irem Guçeri, Oxford University Centre for Business Taxation
- Katarzyna Habu, Oxford University Centre for Business Taxation
- Beata Javorcik, University of Oxford
- Niels Johannesen, University of Copenhagen
- Edward Kleinbard, University of Southern California
- Marie Lamensch, Vrije Universiteit Brussel
- Li Liu, IMF
- Noam Noked, The Chinese University of Hong Kong
- Steve Shay, Harvard University
- Nicholas Sly, Federal Reserve Bank of Kansas City and CESifo
- Juan Carlos Suarez, Duke University
- Johannes Voget, University of Mannheim
- Henk Vording, Leiden University

Doctoral Conference 2016

Saïd Business School, Oxford

September 2016

The Centre for Business Taxation hosted its sixth Doctoral Conference in September. The aim of the event was to provide a stimulating environment in which young scholars from around the

world could discuss their research, establish informal networks and initiate future collaborations. Sixteen international doctoral students and young researchers came to Oxford to present their papers to their peers and members of the Centre. The work discussed in the meeting covered a wide range of issues of public economics and business taxation, including papers from economics, law, accounting and other disciplines, as well as interdisciplinary contributions.

Public Economics UK (PEUK) Conference 2016

Pembroke College, University of Oxford

September 2016

The Centre hosted a joint conference with Public Economics UK in September where papers on any area of public economics and public policy were discussed. The conference was funded by the Nuffield Foundation, ESRC and the Centre for Business Taxation.

Speakers included

- Maria T Alvarez-Martinez, European Commission
- Alan Auerbach, UC Berkeley
- Peter Backus, University of Manchester
- Michael Devereux, Oxford University Centre for Business Taxation
- Richard Disney, University of Sussex and IFS
- Naomi Feldman, Federal Reserve Board
- Kai Gehring, University of Zurich
- Michelle Hanlon, MIT Sloan School of Management
- Chris Heady, University of Kent
- Andrew Hood, IFS
- Byron Lutz, Federal Reserve Board
- Arthur Seibold, London School of Economics
- Jonathan Shaw, IFS, TARC and University College London
- Ajay Shenoy, UC Santa Cruz
- Jon Sherman, HMRC
- Sebastien Sieglloch, University of Mannheim
- Michael Smart, University of Toronto
- Kate Smith, IFS and University College London
- Michael Stimmelmayer, ETH Zurich

Policy Conferences

Summer Conference 2017:

Escalating Uncertainty and Competition in Business Taxation

Saïd Business School, Oxford

June 2017

Political events over the last year have caused turmoil in many areas of policy, including taxation. What should be the position of the UK and other countries in the light of Brexit and possible fundamental tax reform in the USA? How are countries assimilating the OECD BEPS proposals, the EU Anti-Tax Avoidance Directive and the use by the European Commission of the state aid rules?

President Trump has declared an aim of reducing the US corporation tax rate to 15%. The House of Representatives Ways and Means Committee has proposed a fundamental reform of US corporation tax - to move to the destination-basis long-advocated by the CBT. Either of these reforms would have far-reaching effects on multinational business and on other countries.

Should the UK view Brexit as an opportunity to cast off the constraints on UK taxes of the EU fundamental freedoms? Or should we view Brexit as imposing a harmful shock on the UK economy, which needs to be addressed by an offsetting relaxation in business taxation?

The UK - as other countries - faces a choice between competition for inward investment and the protection of the tax base against profit shifting. For the latter, the UK has pursued cooperation with other countries through the OECD BEPS project, but it has also taken unilateral action - for example with the Diverted Profits Tax. This dilemma of competition versus protection of the tax base has now been heightened by Brexit and the US proposals.

The CBT's annual summer conference addressed the most important factors shaping the agenda for business taxation in the UK and elsewhere, with these questions debated by leading speakers from business, government, academia and the professions.

Speakers included:

- Philip Baker QC, Field Court Tax Chambers
- Lydia Challen, Allen & Overy LLP
- Richard Collier, Oxford University Centre for Business Taxation
- Michael Devereux, Oxford University Centre for Business Taxation

- Judith Freedman, University of Oxford
- Melissa Geiger, GSK plc
- Paul Johnson, IFS
- Janine Juggins, Unilever
- Giorgia Maffini, OECD
- Victoria Perry, Fiscal Affairs Department, IMF
- Daniel Shaviro, NYU Law School
- Stephen Shay, Harvard Law School
- Robert Stack, Deloitte
- John Vella, Oxford University Centre for Business Taxation
- Mike Williams, HM Treasury

Different Ways of Working: Reforming Employment Law, Tax and Social Security for the 21st Century

British Academy, London

June 2017

Recent events - from employment litigation about the status of 'gig economy workers' and the abortive attempt to increase National Insurance contributions for the self-employed earlier this year, through to rising concerns about 'tax driven' incorporation - have highlighted an urgent need to rethink established structures for regulating and taxing the UK labour market. Whilst many of the problems are not new, innovative technology and entrepreneurship magnify the challenges and opportunities they present.

The Taylor Review on Modern Employment Practices was being undertaken when this conference took place and was published in July 2017. Despite many discussions, however, there have been few attempts to break down the disciplinary boundaries between labour economics, employment law and tax; comparative perspectives are similarly rare. Many proposals do not stem from the holistic examination needed to provide fair, effective and sustainable solutions.

This conference brought together leading speakers from the worlds of economics, employment law, taxation and social security and introduced perspectives from Sweden, France, Australia and the USA. Contributors considered recent trends in the labour market and explored their implications for employment law, social security, and equitable taxation of those both at the lower and higher ends of the earnings spectrum.

Speakers and the audience included policy makers, practitioners, academics, social partners and representatives of professional bodies and think tanks; there was ample opportunity for questions and discussion. Financial and organisational support was also provided by the ESRC, Oxford Law and Economics Faculties and the British Academy.

Speakers included:

- Abi Adams, University of Oxford
- Julian Birkinshaw, London Business School
- Andy Chamberlain, IPSE
- Jonathan Chamberlain, Gowling WLG
- Hugh Collins, University of Oxford
- Anne Davies, University of Oxford
- Bill Dodwell, Deloitte
- Samuel Engblom, The Swedish Confederation for Professional Employers
- Andrew Forsey, Senior Parliamentary Researcher to Frank Field MP
- Mark Freedland, University of Oxford
- Judith Freedman, University of Oxford
- Brett Freudenberg, Griffith Business School, Australia
- Rhiannon Jones, CBI
- Glen Loutzenhiser, University of Oxford
- Stephen Machin, London School of Economics
- Helen Miller, IFS
- Caroline Miskin, ICAEW
- Karon Monaghan QC
- Paul Morton, Office of Tax Simplification
- Sarah O'Connor, Financial Times
- Shu-Yi Oei, Tulane Law School
- Jeremias Prassl, University of Oxford
- Hannah Reed, TUC
- Louis-Charles Viossat, Inspectorate General for Social Affairs - French Government

The Effects of Business Taxation on Economic and Social Welfare: New Insights from Tax Return Data workshop

Saïd Business School, Oxford

March 2017

This workshop marked the end of a research project which had used newly-available, confidential tax return data available in the HMRC Datalab to investigate the effects of business taxation on economic and social welfare. The project was financially supported by ESRC grant ES/L000016/1, and began in October 2013 and ended in March 2017.

The aim of the project was to improve significantly our understanding of the impacts of taxation on the behaviour of business, and the costs to society of that impact. The recent availability of tax return data represented a significant step change in the evidence base for empirical research on the effects of business taxation. The project aimed to exploit these data to estimate the role of taxation in four distinct aspects of business behaviour: investment, source of finance, legal form and avoidance. Six of the papers which formed part of the output of the project, and which reflected these issues, were presented in the workshop.

Speakers included:

- Miguel Almunia, University of Warwick
- Wiji Arulampalam, University of Warwick
- Stephen Bond, University of Oxford
- Michael Devereux, Oxford University Centre for Business Taxation
- Kevin Fletcher, HMRC
- Irem Guçeri, Oxford University Centre for Business Taxation
- Katarzyna Habu, Oxford University Centre for Business Taxation
- Stuart Kozam, HMRC
- Li Liu, IMF
- Ben Lockwood, University of Warwick
- Giorgia Maffini, OECD
- Helen Miller, IFS
- Thomas Pope, IFS
- Axel Prettl, University of Tübingen
- Sean Whellams, HMRC

Different Ways of Working: Workshop

Saïd Business School

December 2016

The legal classification of labour is under increasing pressure: different ways of working from the growth of self-employment to the rise of the on-demand economy no longer fit into our established structures of employment and tax law, and challenge the fundamental assumptions on which the pension and social security system are built. A series of official reviews have been tasked with resolving the resulting problems, albeit sometimes from narrow perspectives. This workshop brought together academics and officials from across different disciplines and departments to explore the current rules in employment law and tax law, and to work out how they are failing to meet the needs of employers, workers, and regulators.

Seminar and Book Launch – International Taxation and the Extractive Industries

Institution of Civil Engineers

December 2016

Oxford University Centre for Business Taxation joined with the Fiscal Affairs Department (FAD) of the IMF on 2 December 2016 to present a seminar to discuss International Taxation and the Extractive Industries. The seminar marked the publication of a new book, edited by current and former staff of the IMF, and published by Routledge.

The taxation of extractive industries exploiting oil, gas, or minerals is usually treated as a sovereign, national policy and administration issue. The book offers a uniquely comprehensive overview of the theory and practice involved in designing policies on the international aspects of fiscal regimes for these industries,

with a particular focus on developing and emerging economies. It addresses key topics that are not frequently covered in the literature, such as the geo-political implications of cross-border pipelines and the legal implications of mining contracts and regional financial obligations. The contributors to the book, all of whom are leading researchers with experience of working with governments and companies on these issues, presented an authoritative collection of chapters. The volume reviews international tax rules, covering both developments in the G20-OECD project on 'Base Erosion and Profit Shifting' and more radical proposals, identifying core challenges in the extractives sector.

Michael Devereux chaired the event and Michael Keen gave a presentation, which was followed by a panel discussion.

Panellists:

- Philip Daniel, University of Dundee and Natural Resource Governance Institute
- Michael Devereux, Oxford University Centre for Business Taxation
- Janine Juggins, Unilever
- Michael Keen, IMF
- Mick Moore, Institute of Development Studies, Sussex, and International Centre on Tax and Development.



Abi Adams (University of Oxford), Judith Freedman (University of Oxford), Mark Freedland (University of Oxford), Paul Morton (Office of Tax Simplification), Sarah O'Connor (FT) and Jeremias Prassl (University of Oxford) participating in a Panel discussion at the Different Ways of Working: Reforming Employment law, Tax and Social Security for the 21st Century conference



Melissa Geiger speaking at the CBT Summer Conference 2017



Mike Williams speaking at the CBT Summer Conference 2017



Participants on the residential course of the MSc in Taxation



Philip Baker QC (Field Court Tax Chambers and Visiting Professor for the MSc in Taxation) speaking at the CBT Summer Conference 2017



Steve Shay (Harvard Law School and Visiting Lecturer for the MSc in Taxation) speaking at the CBT Summer Conference

MSc in Taxation

2016 saw the launch of the Oxford MSc in Taxation, a new two-year part-time postgraduate degree offered by the Oxford University Faculty of Law, and taught in association with the Centre for Business Taxation.

Unusual among Masters in Taxation degrees, the MSc in Taxation has been designed by a combination of lawyers and economists. This combination ensures that students not only acquire a detailed understanding of technical law, but also the ability to think deeply about the underlying policy considerations. An element of interdisciplinarity runs through the whole degree and, in addition, the in-built flexibility of the course allows students to tailor their studies to their individual preferences.

This flexibility is particularly important because the MSc in Taxation has been designed as a part-time degree to appeal to a range of students from a variety of disciplinary backgrounds. The degree aims to accommodate both those who are engaged in full-time careers and those who are taking a break but have other duties and responsibilities.

The first cohort of students came from all over the world to attend the intensive electives and residential courses that make up the degree. In the first year the course attracted 30 students from 17 nationalities, aged between 20 and 59 years old; with 75% coming from work and in the forthcoming year 34 students have enrolled from 25 countries, with 95% coming from work. In addition students from Sydney, UNSW and Melbourne Universities attended the course to take electives in Oxford and gain credits for tax degrees from their home institution. A number of occasional students also participated to take just one course that interested them.

Teaching on the MSc in Taxation is undertaken in Oxford in intensive periods, primarily during three residential weeks and at weekends. These unique features of the MSc in Taxation make it an ideal degree for practitioners in law and accounting firms who wish to move from a technical to a deeper understanding of taxation: insights that will propel their career forward. This approach also makes this the degree of choice for those working in public tax authorities and as in house tax advisers, as well as for those contemplating an academic career in taxation and those on a career break.

In addition to the Law Faculty and Centre staff (Anzhela Cedelle, Richard Collier, Michael Devereux, Judith Freedman, Glen Loutzenhiser and John Vella), the degree is taught by Visiting Professor Philip Baker QC and Visiting lecturer Tom Scott. Other visiting lecturers this year were Adam Zalasinski, Legal Officer at the European Commission, Joachim Englisch, Professor of Tax Law at the University of Muenster, Steve Shay, Professor of Practice at Harvard University and Jeff Vanderwolk of the OECD Centre for Tax Policy and Administration. Topics covered include international taxation, UK corporate tax, EU taxation, comparative taxation, the economics of taxation and tax ethics.

Quotes from current students:

'The passion and knowledge of the teachers on the course (particularly the internal faculty and Course Directors, but also the external teachers, and notably Philip Baker) comes across very clearly, and is inspiring and energising. The essay component of the assessment allows one to build and craft ones ideas over time, which makes the work away from Oxford very rewarding also.'

'The course has exceeded my expectations in every way. A great experience.'



Robert Stack, (Deloitte), Victoria Perry, (IMF), Michael Devereux, (CBT), Giorgia Maffini, (OECD), Philip Baker (Field Court Tax Chambers) and Dan Shaviro (NYU Law School) participating in a Panel discussion at the CBT Summer Conference 2017



Delegates at the CBT Summer Conference 2017

Publications

Books

Collier, R. and Andrus, J. L., *Transfer Pricing and the Arm's Length Principle after BEPS*. Oxford University Press, 2017

Book chapters

Devereux, M.P. and Vella J., Implications of Digitalization for International Corporation Tax Reform in *Digital Revolutions in Public Finance*, International Monetary Fund.

Freedman, J., From plucking geese to co-operative compliance: creating trust in tax systems for the 21st century in *Plucking the Goose – a Century of Taxation from the Great War to the Digital Age*. Tolley (2016)

Journal articles

Collier, R., Section 75: transfer pricing: application of OECD principles *British Tax Review* 5, 590 (2016)

Collier, R., Section 138: stamp duty: transfers to depositaries or providers of clearance services; Section 139: SDRT: transfers to depositaries or providers of clearance services, *British Tax Review*, 635 (2016)

Collier, R., Devereux, M.P. and Lepoev, S. Proposed UK Changes on the Tax Deductibility of Corporate Interest Expense, *British Tax Review* 1, 60 (2017)

Collier, R. and Maffini, G., Tax Competition, Tax Co-operation and BEPS, (2017) *Journal of Tax Administration* 3:1 (2017)

Freedman, J., General anti-abuse rule; procedural developments and penalty. *British Tax Review* 636-639 (2016)

Freedman, J., Five recommendations for restoring trust in HMRC. *The Tax Journal* (17 Feb 2017)

Freedman, J., Tax and Brexit. *Oxford Review of Economic Policy*, volume 33 Issue suppl_1, 1 S79-S90

Freedman, J., A Tale of Two Finance Bills, *British Tax Review* (2017)

Guceri, I., Will the real R&D employees please stand up? Effects of Tax Breaks on firm-level outcomes. *International Tax and Public Finance* (February, 2017)

Vella, J. and Freedman, J., Section 161 and Schedule 19: large businesses: tax strategies and sanctions for persistently uncooperative behaviour, 5 *British Tax Review*, 653 (2016)

Other articles and publications

Updated CBT tax database and tax database briefing note.

Devereux, M.P., Measuring corporation tax uncertainty across countries: Evidence from a cross-country survey, *European Tax Policy Forum Policy Paper*, (2016.)

Devereux, M.P., Destination-based cash flow taxation, *European Tax Policy Forum Policy Paper*, (2017)

Devereux, M.P., The case for a border adjusted tax, *New York Times* (March 2017)

Devereux, M.P., EU wrong to challenge destination based cash flow tax, *Forbes* (March 2017)

Freedman, J., Three myths about tax and the self-employed *Financial Times* (March 2017)

Freedman, J., A Taxing Question. *The Brexit Balance Sheet*, *Public Finance Perspectives* 37 (CIPFA, April 2017)

Judith Freedman also made a podcast for the British Academy. The 'From Our Fellows' podcast can be found via the Academy's website at: <http://www.britac.ac.uk/from-our-fellows-08-july-2017>

It can also be found at: <https://soundcloud.com/britishacademy/from-our-fellows-08-july-2017>

On the text part of both of those webpages, the British Academy have provided a link to the relevant Centre webpage where recordings from the 'Different ways of working: reforming employment law, tax and social security for the 21st century' conference can be found.

Working Papers

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| WP 16/11 | Are financing constraints binding for investment? Evidence from natural experiment: Katarzyna Habu |
| WP 16/12 | Regulatory competition in capital standards with selection effects among banks: Andreas Haufler and Ulf Maier |
| WP 16/13 | Measuring corporation tax uncertainty across countries: Evidence from a cross-country survey: Michael P. Devereux |
| WP 16/14 | The EU Anti-Tax Avoidance Directive: A UK Perspective: Anzhela Cédelle |
| WP 17/01 | Destination-based cash flow taxation: Alan Auerbach, Michael P. Devereux, Michael Keen and John Vella |
| WP 17/02 | Double tax discrimination to attract FDI and fight profit shifting: The role of CFC rules: Andreas Haufler, Mohammed Mardan and Dirk Schindler |
| WP 17/03 | A European Perspective on the US plans for a Destination based cash flow tax: Johannes Becker and Joachim Englisch |
| WP 17/04 | Taxes and Location of Targets: Wiji Arulampalam, Michael P Devereux and Federica Liberini |
| WP 17/05 | Where does multinational investment go with Territorial Taxation: Li Liu |
| WP 17/06 | The Destination-Based Cash Flow Tax and the Double Tax Treaties: Richard Collier and Michael P. Devereux |
| WP 17/07 | Implications of Digitalization for International Corporation Tax Reform: Michael P. Devereux and John Vella |
| WP 17/08 | The definitions of income: John Brooks |
| WP 17/09 | Taxation without information: The institutional foundations of modern tax collection: Wei Cui |
| WP 17/10 | At a cost: The real effect of transfer pricing regulations on multinational investments: Ruud de Mooij and Li Liu |
| WP 17/11 | The role of transfer prices in profit-shifting by U.S. multinational firms: Evidence from the 2004 Homeland Investment Act: Aaron Flaaen |
| WP 17/12 | The right tax at the right time: Edward D. Kleinbard |
| WP 17/13 | How aggressive are foreign multinational companies in reducing their corporation tax liability?: Katarzyna Habu |
| WP 17/14 | How much tax do companies pay in the UK?: Katarzyna Habu |
| WP 17/15 | International transfer pricing and tax avoidance: Evidence from linked trade-tax statistics in the UK.: Li Liu, Tim Schmidt-Eisenlohr and Dongxian Guo |

External Presentations by Centre Staff

August 2016 – July 2017

August

IIPF Congress, Lake Tahoe, USA

'Will the real R&D employees please stand up? Effects of tax breaks on firm level outcomes', Irem Guceri

'How aggressive are foreign multinational companies in avoiding corporation tax? Evidence from UK confidential corporate tax returns', Katarzyna Habu

'Corruption and profit shifting', Katarzyna Habu

September

IFS Summer Conference, Oxford

Panellist on Corporate Tax Avoidance, Judith Freedman

Society of Legal Scholars, Oxford

'The anatomy of tax settlements', Judith Freedman and John Vella

The Stockholm Oxford Law Symposium, Oxford

'The holy grail of substance and reality in tax law', Judith Freedman

International Tax and Investment Center Board of Directors Briefing, London

'Research on Corporate Taxation – what is the hard evidence on claims of MNC underpayment?' Michael Devereux

October

Copenhagen EU Tax Law Conference, Copenhagen

'OECD, BEPS and EU direct taxation', John Vella

November

National Taxation Association, Baltimore USA

'The future of international Corporation Tax', Michael Devereux

'Tax treatment of losses: Effects on financial performance', Irem Guceri

'How aggressive are foreign multinational companies in avoiding corporation tax? Evidence from UK confidential corporate tax returns', Katarzyna Habu

'Why the current tax rate tells you little: Competing for mobile and immobile firms', Martin Simmler

IMF/AEI Conference, Washington, USA

'US corporate tax reform and its implications for the international system: the view from beyond the US', Michael Devereux

December

Copenhagen Business School Conference – The Digital Economy and International Tax Law, Copenhagen

'How to tax the digital economy: principles and proposals', John Vella

OXREP Brexit conference, British Academy, London

'Tax and Brexit', Judith Freedman

Public Accounts Committee, Global Tax Transparency Summit, London

'Tax transparency', Michael Devereux

January

HMRC Tax Gap Roundtable, London

Roundtable discussion, Michael Devereux

University of Gottingen, Gottingen

'Effectiveness of fiscal incentives for R&D: quasi-experimental evidence', Irem Guceri

February

Federal Reserve Board Seminar, Washington DC

'Destination Based Cash Flow Taxation', John Vella

March

CIOT/IFS debate, RSA, London

'How should different ways of working be taxed?', Judith Freedman

University of Stockholm Centre for Commercial Law, Stockholm

'UK co-operative compliance and recent developments due to the spotlight on tax avoidance', Judith Freedman

University of Michigan Seminar, Michigan

'Destination Based Cash Flow Taxation', John Vella

April

Digital Revolution in Public Finance, IMF/Bill and Melinda Gates Foundation, Washington DC

'Implications of digitalization for international corporate tax reform', Michael Devereux

International Tax Competition: Challenges for Developing Economies? IMF, Washington DC

'Regional tax competition and cooperation', Michael Devereux

Bosphorus University, Istanbul

Pessimistic or desperate? Structural evidence on financing constraints from a natural experiment', Irem Guceri

Malta Enterprise – The EU and FDI conference, Valletta

Tax and FDI', John Vella

Tax and Public Finance Colloquium, University of Georgetown, Washington DC

'Destination Based Cash Flow Taxation', John Vella

May

Bringing together tax researchers and tax authorities – learning about the process – Helsinki

'Effectiveness of fiscal incentives for R&D: quasi-experimental evidence', Irem Guceri

Employment Lawyers' Association Annual Conference, London

'The gig economy and labour market casualization: tax issues', Judith Freedman

Board of Governors of the Federal Reserve Board seminar, Washington DC

'Pessimistic or desperate? Structural evidence on financing constraints from a natural experiment', Irem Guceri

Institute for Fiscal Studies, London

'Business Taxation research', Michael Devereux

ZEW Public Finance Conference, Mannheim

'Are financing constraints binding for investment? Evidence from natural experiment', Katarzyna Habu

National Tax Association 47th Annual Spring Symposium conference, Washington DC

'How robust is a DBCFT to tax planning?', John Vella

June

European Commission Tax Fairness Conference, Brussels

'Barriers or Trampolines? The influence of taxation on social mobility and entrepreneurship', Judith Freedman

Institut d'Economia de Barcelona Workshop on Economics of Taxation, Barcelona

'Destination based cash flow taxation', Michael Devereux

LAGV Conference, Marseilles

'How aggressive are foreign multinational companies in avoiding corporation tax? Evidence from UK confidential corporate tax returns', Katarzyna Habu

Launch of the European project, Brussels

'How aggressive are foreign multinational companies in avoiding corporation tax? Evidence from UK confidential corporate tax returns', Katarzyna Habu

University of Lisbon, Lisbon

'The UK Diverted Profits Tax', John Vella

ETPF Conference, London

'How aggressive are foreign multinational companies in avoiding corporation tax? Evidence from UK confidential corporate tax returns', Katarzyna Habu

July

(Ce)^2, Centre for Economic Analysis, Warsaw

'Are financing constraints binding for investment? Evidence from natural experiment', Katarzyna Habu

Corporate Tax Conference, Tax and Transfer Policy Institute, Australian National University, Canberra

'What should the company tax look like', Michael Devereux

WIEM conference, Warsaw

'How aggressive are foreign multinational companies in avoiding corporation tax? Evidence from UK confidential corporate tax returns', Katarzyna Habu

Countries and Institutions Visited

Through the year, the Centre's staff has travelled globally, speaking at a number of conferences and giving presentations and seminars at a wide range of institutions, a list of which appears below.

Australia – Crawford School of Public Policy Tax and Transfer Policy Institute, Australian National University, Canberra;

Belgium – European Commission, Brussels;

Denmark – Copenhagen Business School, Copenhagen;

Finland – Helsinki;

France – Marseilles;

Germany – University of Gottingen, Gottingen; Centre for European Economic Research (ZEW), Mannheim;

Malta – Valetta;

Poland – Centre for Economic Analysis, Warsaw;

Portugal – Lisbon;

Spain – Barcelona

Sweden – University of Stockholm, Stockholm;

Turkey – Bosphorus University, Istanbul;

UK – HMRC, IFS, London; Oxford;

USA – Baltimore; Georgetown Law School, Georgetown; Lake Tahoe. University of Michigan, Michigan; Bill and Melinda Gates Foundation, Federal Reserve Board, IMF, Washington DC.



Michael Devereux (CBT) Melissa Geiger (GSK) and John Vella (CBT) participating in a Panel Discussion at the CBT Summer Conference 2017

Academic Seminars

External Speakers

Dr Alisa Tazhidtinova, *McMaster University, Canada*
Income Shifting and the Cost of Incorporation

Jacquelyn Pless, *University of Oxford*
The Surprising Pass-Through of Solar Subsidies

Professor Theodore Seto, *Loyola Law School, Los Angeles*
Some Implications of Preference-Shifting for Optimal Tax Theory

Professor Michael Smart, *University of Toronto*
An estimable model of income redistribution in a federation: Musgrave meets Oates

Inga Bethmann, *WHU- Otto Beisham School of Management*
Territorial Taxation and the Market Power of Multinationals – Evidence from the UK

Ben Lockwood, *University of Warwick*
Malas Notches

Daniela Scur, *University of Oxford*
All in the family? CEO succession and firm organization

Thomas Tørsløv, *University of Copenhagen*
The Profit Shifting of Nations – Can anti-profit shifting policies be used to profit shift?

Garry Young, *Bank of England*
The UK productivity puzzle 2008–2013: evidence from British businesses

Axel Prettl, *University of Tübingen*
The last hope against profit shifting? Examining controlled foreign company rules!?

Daniel Hopp, *University of Münster*
How does financial reporting affect the effectiveness of tax policy? – A theoretical analysis

Visitors

Anne Brockmeyer

July – August 2016

Anne is a public finance economist in the World Bank's Macroeconomic and Fiscal Management Practice, and affiliated with the Bank's Community of Practice on Taxation. Anne's research focuses on tax evasion and behavioral responses to taxation in developing countries; the determinants and consequences of informality; and the effect of taxation on investment. Her work draws on large-scale administrative data and randomized field experiments. She holds a PhD from the LSE and an MA from Sciences Po Paris.

Inga Bethmann

September 2016 – December 2016

Inga is a doctoral student at WHU-Otto Beisham School of Management. Inga's research is on the relation between investments and corporate taxes. She is currently looking to examine whether the negative relation between taxes and investments is mainly due to shifting of investment activity to low tax jurisdictions or whether it also leads to a decrease in the overall scale of a firm's activity. Whilst at the Centre she participated in our research programme by presenting a paper on *'Territorial Taxation and the Market Power of Multinationals – Evidence from the UK'*.

Professor Michael Smart

November – December 2016

Michael is Professor of Economics at the University of Toronto. His work within the field of economics is prolific, ranging from his position as Co-Editor of the Canadian Journal of Economics and Associate Editor of both the Journal of Public Economics, and International Tax and Private Finance, to his numerous publications. Professor Smart holds a B.A. from McGill University, an M.A. from the University of British Columbia, and a Ph.D. from Stanford University.

Thomas Tørsløv

February – May 2017

Thomas is a doctoral student in the Economics Department of the University of Copenhagen. Thomas's PhD thesis is on 'Firms and Tax Compliance' and he is sponsored by the Danish Ministry of Taxation which gives him access to Danish tax records. Prior to visiting the Centre he had presented a co-authored paper at the CBT Doctoral

Conference. Whilst at the Centre Thomas participated in, and presented at, the weekly research seminar programme.

Axel Prettl

February – April 2017

Axel is a doctoral student in Business Studies at the University of Tübingen and a Visiting Scholar at the University of California, Berkeley. Whilst visiting the Centre Axel participated in its research activities including presenting his paper *'The last hope against profit shifting? Examining controlled foreign company rules!?'* at the weekly seminar programme and acting as a discussant at a workshop on "The effects of business taxation on economic and social welfare: new insights from tax return data."

Daniel Hopp

March – May 2017

Daniel is a doctoral student at the University of Münster and a research and teaching assistant at the Institute of Public Economics at the University of Münster. Whilst at the Centre Daniel was working on a project on Behavioural Economics of Corporate Taxation. Daniel participated in research activities whilst at the Centre, including attending the workshop on *'The Effects of business taxation on economic and social welfare: new insights from tax return data'*, and presented a paper on *'How does financial reporting affect the effectiveness of tax policy? – A theoretical analysis'* at one of the Centre's regular research seminars.

Olena Pfeiffer

June – July 2017

Olena is a doctoral student at the Chair in Business Administration and Taxation II at the University of Mannheim. Her research includes work on such topics as corporate taxation, profit shifting and its channels, taxation of innovation. Whilst at the Centre Olena attended the Centre's annual academic symposium and annual conference.

Centre Staff

Director

Professor Michael Devereux

Michael Devereux is Director of the Oxford University Centre for Business Taxation, Professor of Business Taxation and Professorial Fellow at Oriel College, Oxford. He is Research Director of the European Tax Policy Forum, Honorary President of the International Institute of Public Finance and Research Fellow of the Centre for Economic Policy Research and CESifo. He is assistant editor of the *British Tax Review* and is a member of the Editorial Board of the *World Tax Journal*. In 2014 he was a member of the European Commission High Level Expert Group on Taxation of the Digital Economy. Michael is also a co-director of the MSc in Taxation in the Oxford Law Faculty.



Director of Legal Research

Professor Judith Freedman

Judith Freedman is Director of Legal Research of the Oxford University Centre for Business Taxation, Pinsent Masons Professor of Taxation Law, University of Oxford, and Fellow of Worcester College, Oxford. She was a member of the Aaronson General Anti-Avoidance Rule Study Group and has served on many other governmental and other policy committees. She is a member of the Council of the Institute for Fiscal Studies (IFS) and the IFS Tax Law Review Committee. Judith is a visiting Adjunct Professor in the Australian School of Taxation and Business Law, University of New South Wales. She is general editor of the *British Tax Review* as well as being on the editorial boards of the *Modern Law Review*, *eJournal of Tax Research*, *Canadian Tax Journal*, *Australian Tax Review* and *Tax Journal*. Currently, she is Chair of the Addington Society. Judith was appointed a CBE in the 2013 New Year's Honours List, was awarded an Honorary Fellowship by the Chartered Institute of Taxation (CIOT) in January 2015 and was elected a Fellow of the British Academy in 2016. Judith is also a co-director of the MSc in Taxation in the Oxford Law Faculty.



Programme Directors

Professor Wiji Arulampalam

Wiji Arulampalam is Professor of Economics at the University of Warwick. She is also an Adjunct Professor at the University of Oslo and a Research Fellow at IZA, Institute for the Study of Labor, Bonn, Germany. She is a member of the editorial board of *Foundations and Trends in Econometrics*.



Professor Stephen Bond

Stephen Bond is Senior Research Fellow at Nuffield College, and a Visiting Professor in the Department of Economics, University of Oxford. He was previously Deputy Director of the ESRC Centre for Public Policy at the Institute for Fiscal Studies, and a member of the IFS Mirrlees Review editorial team.



Professor Clemens Fuest

Clemens Fuest was appointed President of Ifo Institute in 2016. Prior to that he was President and Director of Science and Research of the Centre for European Economic Research (ZEW) in Mannheim, and Professor of Economics at the University of Mannheim. He is a Research Fellow of CESifo and IZA and is a member of the Academic Advisory Board of the German Federal Ministry of Finance and of the Academic Advisory Board of Ernst and Young AG, Germany. Clemens was previously Professor of Business Taxation at Saïd Business School, University of Oxford, and Research Director of the Oxford University Centre for Business Taxation, and before that was professor of economics at the University of Cologne.



Professor Ben Lockwood

Ben Lockwood is Professor of Economics at the University of Warwick. He is a Research Fellow of CEPR and CESifo, and a member of the editorial boards of Social Choice and Welfare and the Journal of Macroeconomics. He has acted as a consultant on tax policy for the IMF and PwC. He is a member of the Board of Management of the International Institute of Public Finance.



Senior Research Fellows

Dr John Vella

John Vella is a Senior Research Fellow and Associate Professor at the Oxford University Centre for Business Taxation. He has recently been appointed as an Associate Professor with the Faculty of Law at Oxford. John is also a co-director of the MSc in Taxation in the Oxford Law Faculty. John studied law at the University of Malta (BA and LLD) and the University of Cambridge (LLM and PhD). He was previously Norton Rose Career Development Fellow in Company Law at Oxford. John has been a Program Affiliate Scholar at New York University and a co-arbitrator in a tax dispute before the ICC International Court of Arbitration. He is currently Convenor of the Tax Section of the UK Society of Legal Scholars and a member of the editorial board of the *Journal of Tax Administration*. His recent research has focused on financial sector taxation, on which he has given expert evidence before UK Parliamentary Committees on a number of occasions; the taxation of multinationals, on which he has written briefing papers for Committees of the European Parliament; and tax compliance and administration.



Dr Anzhela Cedelle (née Yevgenyeva)

Anzhela Cedelle joined the Oxford University Centre for Business Taxation in 2012 and is now a Senior Research Fellow. Anzhela holds a DPhil in Law from the University of Oxford, where she had previously completed her Masters in Law. She also holds a BA and MA in Law from the Kyiv-Mohyla Academy in Ukraine. She is the Managing Editor of the looseleaf encyclopedia D. Vaughan and A. Robertson (eds.), *The Law of the EU* (OUP). Her current research addresses various aspects of taxation and EU law with a particular interest in the intersection of these two fields.



Associate Fellow

Dr Richard Collier

Richard Collier, former Partner at PwC, has joined the Centre and is working with the Centre's researchers on a number of issues including the effects of the OECD BEPS project and the effects of limiting interest deductibility in the UK. Richard also teaches on the MSc in Taxation at the Oxford Law Faculty. Richard is a qualified lawyer and chartered accountant. He has been very closely involved with the work of the OECD since the late 1990s and has been especially active in following the BEPS project



Research Fellows

Katarzyna Habu

Katarzyna left the Centre in August 2017 to take up a one-year post with NBER before moving to Utah State University to take up a role as an Assistant Professor. She was a DPhil student in Economics at the University of Oxford and joined the Centre as a Research Fellow in October 2010. Previously she studied BSc Mathematics and Economics at the University of Warwick, and continued with her studies to obtain an MSc in Economics and International Financial Economics in 2010. At the Centre she conducted research on various topics related to business taxation and fiscal policy and was responsible for the maintenance and development of the CBT Tax Database.



Dr Irem Guceri

Irem received her BA in Economics from Koc University in Istanbul and her MSc in Economics at LSE. She then worked as an economist at the World Bank in the Europe and Central Asia region, Financial and Private Sector Development unit. She holds a DPhil in Economics from the University of Oxford. Her current research focuses on productivity and corporate taxation in R&D-intensive sectors.



Dr Martin Simmler

Martin joined the Centre as a Research Fellow in 2014. He completed his DPhil in Economics at the Free University Berlin in 2013. His research interest is public economics, in particular, the impact of taxes and public goods and service provision on firm decisions (location, finance, employment and investment decision). Martin is also a Research Fellow at the German Institute for Economic Research Berlin (DIW Berlin).



Research Assistants

Strahil Lepoev

Strahil Lepoev left the Centre in May 2017 and will be continuing his studies for his doctorate at Johns Hopkins University in Baltimore. He joined the Oxford University Centre for Business Taxation as a Research Assistant in October 2014. Strahil holds a BBA (majors: Finance and Mathematics) from University of Wisconsin-Madison and MSc Economics from University of Warwick. His work included topics related to tax avoidance and the effects of taxation on investment.



DPhil Scholar

Daisy Ogembo

Daisy Ogembo is an Advocate of the High Court of Kenya. She holds an undergraduate degree in Law from the University of Nairobi and a Masters in Law from University of London. Daisy worked for six years in the leading litigation firm of Oraro & Company Advocates, where she obtained significant experience in the preparation of briefs and submissions for consumption by the High Court of Kenya, the Court of Appeal of Kenya, the International Criminal Court, as well as private clients and government institutions. Daisy also has made numerous oral arguments before judges of the High Court and Court of Appeal in Kenya. Since January 2013, she has been working at the Strathmore Law School as a full time faculty member and Director of Research, Strathmore Tax Research Centre, but is currently on sabbatical to complete her DPhil.



Administrative Staff



Dorota Pawlik

Projects Manager



Clare Ruthven-Stuart

Events Manager



Pauline Simpson

Centre Administrative Officer

International Research Fellows

Rosanne Altshuler, Rutgers University

Julian Alworth, European and Global Investments, Dublin

Alan Auerbach, University of California, Berkeley

Reuven Avi-Yonah, University of Michigan

Philip Baker, Field Court Tax Chambers

Johannes Becker, University of Münster

Peter Birch Sørensen, University of Copenhagen

Søren Bo Nielsen, Copenhagen Business School

Thiess Büttner, University of Nuremberg

Ronald Davies, University College Dublin

Rita de la Feria, University of Leeds

Ruud de Mooij, IMF

Mihir Desai, Harvard Business School

Dharmika Dharmapala, University of Chicago

David Duff, University of British Columbia

Peter Egger, ETH Zurich

Chris Evans, University of New South Wales

Paul Farmer, Joseph Hage Aaronson

Clemens Fuest, Ifo Institute for Economic Research

Malcolm Gammie, One Essex Court

Roger Gordon, University of California, San Diego

Harry Grubert, US Treasury

Daniel Gutmann, University Paris-1 Pantheon-Sorbonne

Andreas Haufler, University of Munich

James Hines, University of Michigan

Harry Huizinga, Tilburg University

Eckhard Janeba, University of Mannheim

Michael Keen, IMF

Christian Keuschnigg, University of St Gallen

Kai Konrad, Max Planck Institute for Tax Law and Public Finance

Rick Krever, Monash University

Michael Lang, Vienna University of Economics and Business

Li Liu, IMF

Geoffrey Loomer, Dalhousie University

Simon Loretz, Institute for Advanced Studies, Vienna

Giorgia Maffini, OECD

Jack Mintz, University of Calgary

Michael Pfaffermayr, University of Innsbruck

James Poterba, MIT

Nadine Riedel, Ruhr University Bochum

Guttorm Schjelderup, Norwegian School of Economics

Wolfgang Schön, Max Planck Institute for Tax Law and Public Finance

Douglas Shackelford, University of North Carolina

Daniel Shaviro, New York University

Hans-Werner Sinn, Ifo

Joel Slemrod, University of Michigan

Michael Smart, University of Toronto

Christoph Spengel, ZEW/University of Mannheim

Miranda Stewart, Australian National University

Richard Vann, University of Sydney

Johannes Voget, University of Mannheim

Michael Walpole, University of New South Wales

Alfons Weichenrieder, University of Frankfurt

David Weisbach, University of Chicago

David Wildasin, University of Kentucky

Jay Wilson, Michigan State University

Hannes Winner, University of Salzburg

Jing Xing, Shanghai Jiao Tong University

George Zodrow, Rice University

Governance

Steering committee 2016-2017

Professor Stephen Bond
Economics Department

Professor Michael Devereux
Centre for Business Taxation

Professor Judith Freedman
Faculty of Law

Dr Clare Leaver
Blavatnik School of Government

Dr Glen Loutzenhiser
Faculty of Law

Professor Alan Morrison
Saïd Business School

Professor Felix Reed-Tsochas (Chair)
Saïd Business School

Dr Dimitrios Tsomocos
Saïd Business School

Professor Tony Venables
Economics Department

Advisory board 2016-2017

Mr Mark Armour

Mr Andrew Bonfield
National Grid plc

Mr James Bowler
HM Treasury

Professor Michael Devereux
Oxford University Centre for Business Taxation

Professor Judith Freedman
Faculty of Law, University of Oxford

Mr Andrew Griffith
Sky plc

Professor Colin Mayer (Chair)
Saïd Business School, University of Oxford

Professor Wolfgang Schön
Max Planck Institute of Tax Law and Public Finance in Munich (from Jan 2016)

Professor Joel Slemrod
University of Michigan

Mr Edward Troup
HM Revenue & Customs

Dr Chris Wales
The Fiscal Policy Network LLP

Financial Support

The Centre receives financial support from a number of sources.

Economic and Social Research Council

The Centre gratefully acknowledges the significant funding it received from the Economic and Social Research Council (ESRC).

The Centre was awarded a grant to run for 3 years from October 2013. This grant was investigating “*The effects of business taxation on economic and social welfare: new insights from tax return data*” (ES/L000016/1).

Previous grants:

- **Business, Taxation and Welfare**
Ref: RES-060-25-0033
- **Company births and deaths: investigating the role of taxation**
Ref: RES-194-23-0012

Other funding

- **British Academy Rising Star Engagement Award**
Senior Research fellow Anzhela Cédelle has been awarded this highly prestigious award in March 2017 for one year. Her project title is *International Tax Cooperation: Exploring the Shift towards Multilateralism*.
- **European Research Network**
The Centre is working in partnership with other European organisations aiming to contribute to developing the institutional architecture of the EU and the European Monetary Union as well as to economic and financial policy at European and national level. The network is led by the ifo Institute in Munich.
- **Nuffield Foundation**
The Centre has been awarded a grant to support research into fundamental tax reform entitled “*Designing a Business Profit Tax Fit for the 21st Century*”.

Project specific funding

Occasionally, the Centre accepts commissions to carry out independent academic research from government and non-governmental organisations.

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