

# eJournal of Tax Research

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# Introduction to the 10<sup>th</sup> anniversary issue of the *eJournal of Tax Research*

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## ***Abstract***

This introduction intends to serve a two-fold purpose. First, it discusses

The electronic format would not allow both timely publication of topical issues and easy access for readers around the world.

With hindsight, it is not difficult to see why Atax was the first academic unit to launch such a journal. First, Atax has been one of the few academic units in the world specialising in tax education and research. It was certainly the first university department in Australia to produce tax graduates at all levels (bachelor, master and doctoral). Second, members of its academic staff include experts in tax law, tax accounting and tax economics. Their research covers a wide area ranging from tax education. As a result, Atax was well equipped with the right personnel and technology to successfully launch an electronic journal.

The *eJournal* had a relatively very short period of gestation. It was conceived in the early of first semester of 2003 and born in the middle of the second semester of the same year. The idea of such a journal was first canvassed by the then Director of Atax, Chris Evans, with the assistance of the then Associate Director, Neil Warren, in March 2003. They saw the *eJournal* as an integral part of or, more accurately, a necessary step for the development and maturity of Atax as a tax academic institution. Rodney Fisher, a tax lawyer, and Binh Tran-Nam, a tax economist, both academics within the Atax program, were then appointed as founding coeditors of the *eJournal*. They were charged with the challenging responsibility to make the *eJournal* a reality in less than six months.

Rodney and Binh, with the assistance from Neil, worked steadily to get the *eJournal* off the ground. There were many tasks that needed to be completed in a short time frame. These included preparing a formal proposal for an electronic journal, obtaining an ISSN, establishing an editorial board, designing the journal style and template, developing the inaugural issue, creating a website, etc. approaching potential authors for

Australasian Tax Teachers Association (ATTA) and one of the most respected tax experts in the Australia.<sup>3</sup>

The *eJournal* is normally published twice a year although special or thematic issues are also occasionally published. Once a new edition has been uploaded, the production editor will send an alert email to people who have subscribed to the mailing list <ejtr@unsw.edu.au>. Subscription to this mailing list can be done by sending relevant contact details to that email address. The journal is available completely free of charge in order to maximise access by interested readers. Published papers can be downloaded and printed for reference. While the *eJournal* is typically available online only, there was an occasion when a hard copy of the journal was printed: Issue 2 of Volume 4 (2006)



**Table 2: Membership of the editorial board of the eJournal since 2003**

Name	Year	Note
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Finally, it is worthwhile to note that the technological aspects of the *eJournal* have been well supported by IT specialist staff including Glen Geoffrey (2003 to 2004), Chris Katselas (2004 to 2010) and Margaret Connor (2011 to date).

### **3. SUMMARY STATISTICS OF PAST ISSUES**

The *eJournal* has published 11 volumes and 25 issues from 2003 to 2013 (including this special issue). The publication data from the *eJournal* is now sufficiently substantial to enable a comprehensive statistical analysis. However, within the limited scope of this brief review, it is adequate to provide a simple, descriptive analysis of the data. The basic statistics are summarised in Table 3. Note that the present issue (this special





employ C1 publications without ranking as one criterion for allocating research funding to Australian universities.

The current trend toward explicit and official







tax policy planning by the Hong Kong authority give rise to concerns in view of Hong

Economic and Co-operation and Development (OECD) Model of Convention attempts to frustrate this strategy by anti-beneficial test. The OECD Model of Convention follows the traditional and formal legal approach that views companies as not only the legal but also the beneficial owners of their income.

Since the courts are unable to apply the beneficial ownership test literally, they tend to

origin of the substantive business activity test, also known test, has its origin in the legal determination of whether domestic straw companies and foreign base companies are separable taxable entities. The application of this test has been extended by the OECD, the German legislature and the courts since the late 1980s. The authors argue that, as matter of linguistic logic, company law, and economic analysis, beneficial ownership is incapable of fulfilling its anti-avoidance role. Further, because ownership and activity are not necessarily related in a causal way, the substantive business activity test can never be considered as a coherent surrogate for the beneficial ownership test. As a medium-term solution to this problem, it is recommended that all formal, technical tests be abandoned, and that beneficial ownership provisions be interpreted as anti-avoidance rules.

The final paper in this special issue is an analysis of the underutilisation of wealth as a tax base. It is written by a tax practitioner, Natalia Chatalova, and a tax academic, Chris Evans. The paper starts by suggesting that wealth is the least utilised of the three accepted tax bases: income, expenditure and capital/wealth. (While this is intuitively true, the extent of underutilisation of wealth taxes will be more apparent if empirical evidence on distribution of tax burden by tax base is provided.) The next section of the paper discusses different forms of wealth tax (taxes on the holding or stock of wealth, on the transfer of wealth and on wealth appreciation), tax design issues (tax base, unit and rates), policy rationale, and administrative obstacles against wealth taxes. In particular, it is argued that wealth taxes satisfy both efficiency and equity criteria for good tax policy although the evidence cited is somewhat qualitative rather than quantitative. Two major administrative problems, namely, disclosure and valuation, that prevent the spread of wealth taxes, are also further explored.

The next section of the paper examines global practices in wealth taxation by both developed and developing countries. Very few countries apply wealth taxes and, in terms of specific form, wealth transfer taxes are currently more common than net wealth taxes. In the OECD countries, two key related trends have emerged. First, both net wealth and wealth transfer taxes have been narrowed to ease the administrative burden. Second, again designed to reduce the operating costs of wealth taxes, the manner of operation of such taxes has been simplified. For developing and transition economies, little evidence is available and it is argued that such countries have opted for a VAT rather than wealth taxes. One interesting tax policy tool in wealth taxation by developing country is mngtngie 239.45ETBT27dt(i)(t)-4(ax)9ng tax pd-5(e)9(d2083(i)-0.0509 Tc27