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## **EDUCATION**

<b>Ph.D. in Accounting</b> Haskayne School of Business University of Calgary, Canada	2018
<b>Master of Science in Finance</b> (Thesis-based) University of Saskatchewan, Canada	2013
<b>Master of Business Administration (MBA)</b> North South University, Bangladesh	2007
<b>Bachelor of Science</b> Independent University, Bangladesh	2004

**Research Interests:** Taxation, financing decisions, and executive compensation.

**Teaching Interests:** Federal Income Taxation and Financial Accounting

## **RESEARCH**

### **Publication:**

Rashid, H., Khan, S. and Warsame, H. 2020. "The differential impact of democracy on tax revenues in developing and developed countries." *International Journal of Public Administration*.

Rashid, H., Khan, S. and Warsame, H. "Tax collections and democracy in developing and developed countries." *Global Encyclopedia of Public Administration, Public Policy and Governance* (forthcoming).

### **Working Papers**

1. "Corporate dividend policy, tax planning, and tax risk." With Mark Anderson, and Hussein Warsame.
2. "Financial security issuance and cash savings through tax planning." With Mark Anderson, and Hussein Warsame.
3. "CEO General managerial skills and tax avoidance."
4. "Tax avoidance and customer satisfaction." With Mark Anderson, Sina Rahiminejad and Hussein Warsame.
5. "How do CEO risk taking incentives affect security issuances and repurchases?" with Min Maung and Craig Wilson.

## **ACADEMIC EXPERIENCE**

**Assistant Professor**, California State University Dominguez Hills August 2018 to date

### **Courses taught/teaching: (online and face-to-face courses)**

Financial Accounting in Fall 2018 and Spring 2019

Federal Income Taxation I (Individual Taxation) in Fall 2019 and Spring 2020

Federal Income Taxation II (Business Entities Taxation) in Fall 2019

**Sessional Lecturer**, University of Calgary Fall 2017

### **Course Taught:**

Canadian Federal Income Taxation I (Individual Taxation) in Fall 2017

**Sessional Lecturer**, University of Saskatchewan Fall 2011 and Spring 2012

### **Course taught:**

Introduction to Finance in Fall 2011 and Spring 2012

**Teaching Assistant** for Taxation I, University of Calgary Spring 2017

**Graduate Research Assistant**, University of Calgary July 2014- July 2018

**Teaching Assistant** for COMM203, University of Saskatchewan 2010-2013

## **CONFERENCES**

2020 Hawaii Accounting Research Conference. **Presenter** and **Discussant**.

2018 CAAA Annual Meeting, Calgary, Canada. **Discussant**.

2018 Financial Reporting and Business Communication. Bristol University, UK. **Presenter**.

2017 American Taxation Association mid-year meeting (ATA). New Orleans, LA, USA.

2017 AAA Annual Meeting, San Diego, CA, USA. **Presenter** and **Discussant**.

2017 EAA Annual Meeting, Valencia, Spain. **Presenter**.

2017 ATA and JATA Conference. Phoenix, AZ, USA.

2016 EAA Annual Meeting, Maastricht, Netherlands. **Presenter**.

2016 CAAA Annual Meeting, St. John's, Newfoundland, Canada. **Presenter** and **Discussant**.

2016 AAA Annual Meeting, New York, USA. **Discussant**.

2016 CAR Conference, Waterloo, ON, Canada.

2015 Conference on the Convergence of Financial and Managerial Accounting Research, Banff, AB, Canada. **Presenter**.

## **REVIEWER**

Mid-year AAA Meeting of Managerial Accounting 2020.

Annual Meeting of the AAA 2016, 2017, 2019

Annual Meeting of the CAAA 2016, 2017, 2018

### **HONORS/AWARDS**

1. AAA Doctoral Consortium Fellow. 2017.
2. Queen Elizabeth II Scholarship. 2017.
3. Travel Grant/Award. University of Calgary. 2017.
4. American Taxation Association PhD Consortium Travel Grant.
5. Certified General Accountant (CGA), Alberta, Research Grant. 2015.
6. Certified Management Accountant (CMA), Alberta, Graduate Scholarship for Excellence in Management Accounting. University of Calgary. 2014-15.
7. 'Best Paper' Award in Finance category, Administrative Sciences Association of Canada (ASAC) Conference 2013.
8. Graduate Teaching Fellowship, University of Saskatchewan. 2010 – 2013.
9. Jack and Clara Milavsky Scholarship, University of Saskatchewan. 2011.
10. Placed in the Vice Chancellor's List of Spring 2002, Spring 2003, Autumn 2003, and Spring 2004. Independent University, Bangladesh.
11. Placed in the Dean's Merit List of Autumn 2001. Independent University, Bangladesh.
12. Placed in the Dean's List of Spring 2001. Independent University, Bangladesh.

## **Abstract**

We investigate whether dividend policy affects the distribution of surplus between the taxing authority and shareholders/managers. We hypothesize that a high-payout-ratio dividend policy leads to increased tax savings through tax planning but also increased tax risk to the firm. First, we test whether dividend payout is related to tax planning, using cash effective tax rates (CASH-ETR) and book-tax differences (BTD). Second, we examine how tax planning associated with dividend payout is affected by a change in the dividend tax rate. Third, we test whether tax risk increases with dividend policy by examining how dividend payout is related to unrecognized tax benefits (UTB), tax settlements (TS) with the IRS, and estimated interest and penalties (IP). The results are consistent with our hypothesis. We find that higher dividend payout ratio results in lower CASH-ETR and higher BTD, indicating a higher level of tax planning. We also find that dividend payout has a more pronounced negative relation with cash ETR when the dividend tax rate is higher at the investor level. Finally, we find that dividend payout is positively associated with UTB, TS, and IP, indicating that high-dividend-payout policy increases tax risk. Overall, our findings provide persuasive evidence that dividend policy affects the distribution of surplus through tax planning.

**Key words:** Tax planning, tax risk, dividend policy, unrecognized tax benefits, tax settlements, interests and penalties.

**JEL:** G32, G35, H26

## **The differential impacts of democracy on tax revenues in developing and developed countries**

### **Abstract**

This paper investigates the extent to which democracy affects tax revenues in developing countries in comparison to developed countries across various categories of tax revenues. Based on a sample consisting of 30 developed and 29 developing countries for 2006-2013, the authors find that while democracy has a positive association with tax revenues in developed countries, the association is generally negative for developing countries compared to their counterparts. This study finds that the tax revenues most negatively affected by democracy in developing countries are corporate. The positive findings for developed countries support predictions of the compatibility perspective: that democracy results in economic growth. For developing countries, the relationship is either negative or weaker, matching the predictions of the conflict perspective that democracy results in various groups increasing rent-seeking activities from the state. These findings have implications for tax related public policies.

**Keywords:** Tax revenue, democracy, compatibility perspective, the conflict perspective developing and developed countries.

## **Financial Security Issuance and Cash Savings through Tax Planning**

## **Abstract**

In this paper, we investigate how firms' issuance of equity and debt securities are associated with cash savings through tax planning. According to the pecking order theory of Myers and Majluf (1984), due to higher cost of capital attributed to information asymmetry, firms use the least costly financial resources, such as cash on hand followed by debt issuance and equity issuance to carry out investments. However, pecking order theory does not consider cash savings through risky tax planning. Since issuance of shares is the most costly and the last resort for raising capital, and issuance of debt is less costly and signals firms' profitability, we predict that firms that issue shares will save cash via aggressive tax planning and that the firms that issue debt will not engage in such aggressive tax planning. Using a sample of U.S. publicly listed firms for the period 1987-2016, we find that an increase in share issuance is associated with a decrease in cash effective tax rate (CASH-ETR), indicating that firms that issue shares save cash by tax planning. We do not find any evidence that debt issuance reduces CASH-ETR or induce tax avoidance behavior. Our findings are robust when we use first difference estimation method, propensity score matching, and gross equity and debt issuances as explanatory variables, instead of net equity and debt issuances. This study provides insights into the interplay between the taxing authority and shareholders, especially when firms raise external capital.

**Keywords:** Tax avoidance, share issuance, debt issuance, cost of capital, financial constraints.

## **CEO General Managerial Skills and Tax Avoidance**

### **Abstract**

I investigate the relation between tax avoidance and general managerial skills acquired by CEOs through their lifetime work experience. Managerial skills are of two types: general managerial skills, which are transferable across firms and industries, and specific managerial skills, which are valuable only to a specific firm or industry. Using ordinary least squares (OLS) regression for a sample of S&P 1500 firms from 1993 through 2007, I find that CEOs with general managerial skills (generalist CEOs) tend to engage in more tax avoidance than CEOs with specific managerial skills (specialist CEOs). The results are robust to using alternative statistical analysis, such as quintile regression and propensity score matching. The sample evidence implies that CEO managerial skills matter for corporate tax planning.

**Keywords:** Tax avoidance, tax planning, generalist CEO, specialist CEO, general managerial skills specialist managerial skills.

## **Corporate tax avoidance and customer satisfaction**

**Abstract**

We examine the empirical association between customer satisfaction and tax avoidance. Customer satisfaction is a valuable intangible asset for most firms. On the other hand, tax avoidance is considered a socially undesirable corporate practice, which may harm firm reputation. Therefore, we argue that firms that focus on satisfying customers will avoid engaging in excessively risky tax policies. Using American Customer Satisfaction Index score (ACSI) as a measure of customer satisfaction, we find that customer satisfaction has a negative association with uncertain tax benefits (UTB). This finding is supported by a positive relation between customer satisfaction and cash effective tax rate, a negative relation between customer satisfaction and interests and penalties imposed by the Internal Revenue Service (IRS) upon tax audit. Taken together, we conclude that firms that are more concerned about customer satisfaction and reputation have a higher likelihood of avoiding tax aggressive activities.

**Keywords:**

Corporate social responsibility, tax avoidance, customer satisfaction, unrecognized tax benefits.

**How do CEO risk taking incentives affect security issuances and repurchases?****Abstract**

We investigate how CEO risk taking incentives affect a firm's security issuance and repurchase activities. In general, we find that risk taking incentives measured by the sensitivity of CEO wealth to stock return volatility (Vega) lead firms to increase debt by issuing more and re-purchasing less, and to decrease equity by issuing less and repurchasing more. However, for firms that are already highly levered relative to their industry peers, risk taking incentives no longer lead firms to increase debt by either issuing or repurchasing, although they do continue to lead such firms to decrease equity by issuing less and repurchasing more. Our findings confirm that risk taking incentives can lead to excessive leverage as conjectured by previous literature; however, the main channel driving this result is equity repurchase rather than debt issuance.

**Key Words:** Compensation incentives, risk taking incentives, external financing, capital structure.

