



Montague-CTE Scholar
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**CENTER FOR
 TEACHING EXCELLENCE**
 TEXAS A&M UNIVERSITY

**Effective Tax Rate Estimates
 and Financial Reporting Quality**

I find that my students learn more when I bring academic research into the classroom. With the aid of funds from the Montague-CTE Scholar Award, I was able to complete research that investigates whether volatility in a corporation's effective tax rate estimate signals poor financial reporting quality. The project is currently being peer-reviewed at a top scholarly journal.

The project also played a significant role in my Introduction to Tax course. Using insights from my research, I developed a new course module that focuses on the intersection of financial reporting and corporate income taxes. The module helps students integrate concepts across their different tax and financial accounting courses and understand the important role that taxes play in corporate financial statements.

THE WALL STREET JOURNAL. ☰ THE CFO REPORT

**Home Depot's Snow, Data Costs
 Outweighed by Tax Windfall**



Stumbling Blocks

Accounting standards most commonly involved in 2011-2012 financial restatements

STANDARD	NUMBER
Revenue recognition	16
Income taxes	14
Business combinations	11
Derivatives and hedging	9
Stock dividends and splits	8

Source: Baseline Insights
 The Wall Street Journal