

TERRY SHEVLIN

Paul Pigott-PACCAR Professor of Business Administration
Co-editor, Accounting Horizons (2009-2012)
Senior Editor, The Accounting Review (2002-2005)
Editor, Journal of the American Taxation Association (1996-1999)
Chair, Department of Accounting, University of Washington, Seattle

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RESEARCH INTERESTS

Taxes and business decisions, capital markets-based accounting research, earnings management, employee stock options, research design and statistical significance testing issues.

TEACHING INTERESTS

Financial accounting, taxes and business decisions, empirical research methodology.

EDUCATION

Stanford University, Graduate School of Business, Doctor of Philosophy, October 1986.

Monash University, Master of Economics, with a major in accounting and finance, June 1981.

University of Melbourne, Diploma of Education, December 1976.

University of Melbourne, Bachelor of Commerce (Honors), June 1976.

PROFESSIONAL EXPERIENCE

1996-present	Professor of Accounting, University of Washington.
1992-1996	Associate Professor of Accounting, University of Washington.
1991-1992	Visiting Associate Professor, University of Iowa.
1986-1991	Assistant Professor of Accounting, University of Washington.
1981-1982	Lecturer, Monash University.
1979-1981	Tutor, Monash University.
1977-1978	Tutor, University of Melbourne.

HONORS AND AWARDS

Keynote Speaker, Annual Hong Kong University of Science and Technology, Hong Kong, June 2006.

American Taxation Association 2005 Ray M. Sommerfeld Outstanding Tax Educator (awarded at American Accounting Association Annual Meeting, 2005)

Keynote Speaker, Accounting and Finance Association of Australia and New Zealand (AFAANZ), Melbourne, Australia, July 2005.

UW Business School Dean's Research Award, 2011, 2009, 2005.

American Taxation Association 2004 Tax Manuscript Award, for "Empirical tax research in accounting," with Doug Shackelford, Journal of Accounting and Economics, 2001, Vol 31, 1-3, 321-387.

Plenary speaker, Taiwan Academic Accounting Association, Annual Conference, November 2003, Taiwan.

Plenary and research presentations at Asia Pacific Journal of Accounting and Economics conference: January 2002, Hong Kong, January 2003, Shanghai.

Best paper award, Journal of Accounting and Economics Conference, 2002 for "Are executive stock options associated with future earnings," with Michelle Hanlon and Shiva Rajgopal, Journal of Accounting and Economics.

Distinguished Visiting Faculty, American Accounting Association Doctoral Consortium, Lake Tahoe, June, 2008, 2006, 1999, 1997, and 1993.

Distinguished Speaker, Big-10 Doctoral Consortium, Purdue University, June 2000, University of Iowa, May, 1997.

Distinguished Speaker, Pac-10 Doctoral Consortium, University of Oregon, February 2005, Arizona State University, January 2001 and 1989, University of California, Berkeley, January, 1997.

American Taxation Association 1995 Tax Manuscript Award, for "Disqualifying dispositions of incentive stock options: Tax benefits vs. financial reporting costs," co-authored with Steve Matsunaga and D. Shores, published in Journal of Accounting Research, 1992, Vol. 30, Supplement, 37-68.

Department of Accounting 1994 Research Excellence Award.

American Taxation Association 1992 Tax Manuscript Award, for "Estimating corporate marginal tax rates with asymmetric tax treatment of gains and losses," published in The Journal of the American Taxation Association, 1990, Vol. 11, No. 2, Spring, 51-67.

American Accounting Association 1990 Competitive Manuscript Award, for "The valuation of R&D firms with R&D limited partnerships," published in The Accounting Review, 1991, Vol. 66, No. 1, January, pp. 1-21.

American Accounting Association 1987 Competitive Manuscript Award, for “Taxes and off-balance sheet financing: Research and development limited partnerships,” published in The Accounting Review, 1987, Vol. 62, No. 3, July, pp. 480-509.

KPMG Peat Marwick Foundation Tax Research Opportunities Grant, 1992.

KPMG Peat Marwick Faculty Fellow, 1990-1993.

KPMG Peat Marwick Research Fellowship, 1988-1990.

American Accounting Association Doctoral Consortium Fellow, 1984.

DOCTORAL THESIS

1986, “Research and development limited partnerships: An empirical analysis of taxes and incentives.” Advisers: Professors George Foster, Mark Wolfson and Mike Gibbons.

MAJOR PUBLICATIONS

2011, “Tax avoidance, large positive temporary book-tax differences, and earnings persistence,” with Brad Blaylock and Ryan Wilson, The Accounting Review, forthcoming.

2011, “The value of a flow-through entity in an integrated corporate tax system,” with Alex Edwards, Journal of Financial Economics, forthcoming.

2011, “Domesitic income shifting by Chinese listed firms,” with Tanya Tang and Ryan Wilson, Journal of the American Taxation Association, forthcoming.

2011, “Real effects of accounting rules: Evidence form multinational firms’ investment and profit repatriation decisions,” with John Graham and Michelle Hanlon, Journal of Accounting Research, 49 No. 1, 137-185.

2011, “Why do CFOs become involved in material accounting manipulations?” With Mei Feng, Weili Ge and Shuqing Luo. Journal of Accounting and Economics, 51, 21-36.

2010, “Barriers to mobility: The lockout effect of US taxation of worldwide corporate profits,” with John Graham and Michelle Hanlon, National Tax Journal, 63 No. 4, Part 2, 1111-1144.

2010, “Are family firms more tax aggressive than non-family firms?” with Shuping Chen, Xia Chen and Qiang Cheng, Journal of Financial Economics, 95, 41-61.

2010, “Accounting restatements and information risk,” with Todd Kravet, Review of Accounting Studies, Vol 15, No. 2, 264-294.

2009, “How do managers value stock options and restricted stock?” with Frank Hodge and Shiva Rajgopal, Contemporary Accounting Research, Vol 26, No 3, 899-932.

2009, “Reconsidering revenue recognition,” with Cathy Schrand, Katherine Schipper, and Jeff Wilks, Accounting Horizons, 23(1), 55-68.

2008, “An Unintended Consequence of Book-Tax Conformity: A Loss of Earnings

Informativeness,” with Michelle Hanlon and Ed Maydew, Journal of Accounting and Economics, 46, 294-311.

2008, “Economic consequences of increasing the conformity in accounting for uncertain tax benefits,” with Pete Frischmann and Ryan Wilson, Journal of Accounting and Economics, 46, 261-278.

2007, “Examining Investor Expectations Concerning Tax Savings on the Repatriations of Foreign Earnings under the American Jobs Creation Act of 2004,” with Mitch Oler and Ryan Wilson, Journal of the American Taxation Association, Fall, Vol 29, No. 2, 25-55.

2007, “The Future of Tax Research: From an Accounting Professor’s Perspective,” Journal of the American Taxation Association, Fall, Vol 29, No. 2, 87-93.

2007, “Does the pricing of financial reporting quality change around dividend changes?” with Shuping Chen and Yen Hee Tong, Journal of Accounting Research, Vol 45, 1-40.

2006, “Why is the Accrual Anomaly not Arbitraged Away? The Role of Idiosyncratic Risk and Transaction Costs,” with Christine Mushruwala and Shiva Rajgopal, Journal of Accounting and Economics, Vol 42, 3-33.

2006, “CEO’s Outside Employment Opportunities and the Lack of Relative Performance Evaluation in Compensation Contracts” with Shiva Rajgopal and Tina Zamora, Journal of Finance, Vol 61, No. 4, August, 1813-1844.

2005, “Evidence on the Possible Information Loss of Conforming Book Income and Taxable Income,” with Michelle Hanlon and Stacie Kelley Laplante, Journal of Law and Economics Vol 48, No. 2, 407-442.

2005, “Book-Tax Conformity for Corporate Income: An Introduction to the Issues,” with Michelle Hanlon. Prepared for presentation at the NBER Tax Policy and the Economy Conference, Washington, D.C. October, 2004. Published in NBER Tax Policy and the Economy Conference Monograph.

2004, “Are executive stock options associated with future earnings,” with Michelle Hanlon and Shiva Rajgopal, Journal of Accounting and Economics, Vol 36, 3-43.

2003, “Does the stock market fully appreciate the implications of leading indicators for future earnings? Evidence from order backlog,” with Shiva Rajgopal and Mohan Venkatachalam, Review of Accounting Studies, Vol 8, No. 4, December, 461-492.

2003, “Dividend taxes and firm valuation: A re-examination,” with Michelle Hanlon and James Myers, Journal of Accounting and Economics, Vol 35, No. 2, June, 119-153.

2002, “Do stock prices fully reflect the implications of special items for future earnings,” with Dave Burgstahler and Jim Jiambalvo, Journal of Accounting Research, Vol 40, No. 3, June, 585-612.

2002 “Empirical evidence on the relation between stock option compensation and risk taking,” with Shiva Rajgopal, Journal of Accounting and Economics, Vol. 33, No. 2, 145-171.

2002, "Commentary: Corporate tax shelters and book-tax differences," Tax Law Review, New York University School of Law, Vol 55, No. 3, 427-443.

2002, "Accounting for tax benefits of employee stock options and implications for research," with Michelle Hanlon, Accounting Horizons, Vol 16, No. 1, March, 1-16.

2001, "Empirical tax research in accounting," with Doug Shackelford, Journal of Accounting and Economics, Vol 31, 1-3, 321-387.

2000, "Reload employee stock option plans: Incentive alignment or rent extraction," with Thomas Hemmer and Steve Matsunaga, Journal of Accounting, Auditing and Finance, Vol. 15, No. 4, Fall, 393-423.

1999, "Research in taxation: A commentary," Accounting Horizons, Vol 13, No. 4, December, 427-441.

1998, "Optimal exercise and the value of reload options," with Thomas Hemmer and Steve Matsunaga, Journal of Accounting Research, Vol 36, No. 2, Autumn, 231-255.

1997, "Incremental information content of the change in the percent of production added to inventory," with Jim Jiambalvo and Eric Noreen, Contemporary Accounting Research Vol 14, No. 1, Spring, 69-97.

1996, "The value-relevance of nonfinancial information: A discussion," Journal of Accounting and Economics, Vol 22, Nos. 1-3, Aug-Sept, 31-42.

1996, "Managing interacting accounting measures to meet multiple objectives: A study of LIFO firms," with Susan Moyer and Alister Hunt, Journal of Accounting and Economics, Vol 21, No. 3, May, 339-374.

1996, "The influence of risk diversification on the early exercise of employee stock options by executive officers," with Thomas Hemmer and Steve Matsunaga, Journal of Accounting and Economics, Vol 21, No. 1, January, 45-68.

1994, "Estimating the 'fair value' of employee stock options with expected early exercise," with Thomas Hemmer and Steve Matsunaga, Accounting Horizons, Vol 8, No. 4, December, 23-42.

1993, "Firm size, security returns, and unexpected earnings: The anomalous signed-size effect," with D. Shores, Contemporary Accounting Research, Vol. 10, No. 1, Fall, pp. 1-30.

1992, "Disqualifying dispositions of incentive stock options: Tax benefits vs. financial reporting costs," with Steve Matsunaga and D. Shores, Journal of Accounting Research, Vol. 30, Supplement, 37-68.

1992, "The corporate tax comeback in 1987: Some further evidence," with Sue Porter, The Journal of the American Taxation Association, Vol. 14. No. 1. Spring, 58-79.

1991, "Determinants of the timing of quarterly earnings announcements," with Robert M. Bowen, Marilyn F. Johnson and D. Shores, Journal of Accounting, Auditing and Finance, Vol. 7, No. 4, Fall, 395-422.

1991, "The valuation of R&D firms with R&D limited partnerships," The Accounting Review, Vol. 66, No. 1, January, pp. 1-21.

1990, "Estimating corporate marginal tax rates with asymmetric tax treatment of gains and losses," The Journal of the American Taxation Association, Vol. 11, No. 2, Spring, 51-67.

1989, "Informational efficiency and the information content of earnings during the market crash of October 1987," with Robert M. Bowen and Marilyn F. Johnson, Journal of Accounting and Economics, Vol. 11, No. 2/3, July 225-254.

1987, "Taxes and off-balance sheet financing: Research and development limited partnerships," The Accounting Review, Vol. 62, No. 3, July, pp. 480-509.

1984, "Earnings releases, anomalies and the behavior of security returns," with George Foster and Chris Olsen, The Accounting Review, Vol. 59, No. 4, October, pp. 574-603.

1984, "Audit qualifications and share prices: Australian evidence," with G. P. Whittred, Australian Journal of Management, Vol. 9, No. 1, June, pp. 37-52.

1983, "Stock market efficiency and price predictions implicit in option trading," with R. L. Brown, Australian Journal of Management, Vol. 8, No. 2, December, pp. 71-93.

1983, "Modelling option prices in Australia using the Black-Scholes model," with R. L. Brown, Australian Journal of Management, Vol. 8, No. 1, June, pp. 1-20.

1982, "Australian corporate dividend policy: empirical evidence," Accounting and Finance, Vol. 22, No. 1, May, pp. 1-22.

1981, "Measuring abnormal performance on the Australian securities market," Australian Journal of Management, Vol. 6, No. 1, June, pp. 67-107.

OTHER PUBLICATIONS

2010, "Examining investor reaction to IRS announcement 2010-09," with Alex Edwards and Allison Koester, Tax Notes, May 10, 2010, p669-674.

2001, "Discussion of "Evidence of tax clientele related trading following dividend increases," Journal of American Taxation Association (Supplement).

2000, "It's not about the money: Why natural experiments don't work on the rich: A discussion," in "Does Atlas Shrug? The Economic Consequences of Taxing the Rich," editor Joel Slemrod, Cambridge University Press.

1999, "A practical guide to valuing employee stock options with a reload feature," with Thomas Hemmer and Steve Matsunaga, Journal of Applied Corporate Finance, Summer.

1997, "Debt-equity hybrid securities: Discussion," in Proceedings of the 1997 University of Illinois Tax Research Symposium, eds. Paul J. Beck and Eugene Willis, University of Illinois.

1995, "New evidence that tax clienteles for dividend policies exist: Discussion," in Proceedings of the 1995 University of Illinois Tax Research Symposium, eds. Paul J. Beck and Eugene Willis, University of Illinois.

1992, "A Reply to 'A Comment on 'The valuation of R&D firms with R&D limited partnerships,'" The Accounting Review, Vol. 67, No. 2, April, pp. 443-445.

1992, "GAAP elasticities in the life insurance industry: Discussion," in Proceedings of the 1991 University of Illinois Tax Research Symposium, eds. Paul J. Beck and Eugene Willis, University of Illinois, pp. 17-27.

1989, "Taxes, investment, and financing: Discussion," in Proceedings of the 1989 University of Illinois Tax Research Symposium, eds. Paul J. Beck and Eugene Willis, University of Illinois. (Published 1991)

WORK IN PROCESS

"Economic consequences of voluntary adoption of clawback provisions," with Ed deHaan, Frank Hodge and Court Weddle.

"Inside the corporate tax department: Insights on corporate decision making and tax planning/aggressiveness," with Michelle Hanlon and John Graham

"Revisiting the AQ measure of accrual quality," with Valerie Li and D. Shores.

TEXTS

2008 "Taxes and Business Strategy: A Planning Approach," Fourth edition, with Myron Scholes, Mark Wolfson, Merle Erickson and Ed Maydew, Prentice-Hall

OTHER RESEARCH ACTIVITIES

Invited conference paper presentations:

2008	Ball and Brown 40 th Anniversary Conference, UNSW, Sydney
2007	London Business School Summer Conference
2006	University of Houston Research Conference
2002	Harvard Business School Accounting Symposium
2001	University of Texas at Dallas Symposium
2001	University of Illinois Tax Symposium
2000, 2002, 2004	Journal of Accounting and Economics Annual Research Conference
2000	European Finance Association.
1996, 2005	Columbia University, Darden House Conference
1994	University of Michigan, Financial Economics and Accounting Conference.
2002, 1994, 1991	Stanford University, Summer Camp.
1993, 2001, 2003	University of Illinois Tax Research Symposium.
1992	University of Chicago, <u>Journal of Accounting and Research</u> Research Conference.
1992	University of Michigan Tax Policy Conference.
1991	University of Iowa, Winter Series Conference.
1988	University of Southern California Tax Conference.

Invited discussant at:

1995	University of Rochester and <u>Journal of Accounting and Economics</u> Financial Reporting Conference.
1998, 2008	University of North Carolina, Tax Policy Conference.
1996, 1993, 1991, 1990	University of Michigan, Tax Policy Conference.

2005, 1999, 1997, 1995, 1991, 1989 University of Illinois Tax Research Symposium.
2007 Review of Accounting Studies Conference (co-winner best discussant)

Other research activities and presentations:

Plenary Speaker, Accounting and Finance Association of Australia and New Zealand (AFAANZ), Annual Meeting, Melbourne, Australia, July 2005
Luncheon Speaker, Financial Accounting Research Mid-Year Conference, San Diego, January 2005.
Featured Speaker, Asia-Pacific International Accounting Conference, Seoul, Korea, November 2004.
Invited speaker at APJAE Doctoral Consortium, City University of Hong Kong, Shanghai, January 2003
Invited research speaker at APJAE Conference, City University of Hong Kong, Shanghai, January 2003
Plenary Speaker, APJAE Conference, City University of Hong Kong, January 2002.
One day seminar on Tax Research, Maastricht University, The Netherlands, September 1999.
Two day seminar on Earnings Management, University of Michigan, July 1996.
Two day seminar on Market Based Accounting Research, University of Memphis, May 1995.
Presentations on Problems in Valuing Employee Stock Options (ESOs):
Accounting Department and ADF sponsored workshop at the University of Washington, November 1993
Financial Executives Institute held at Microsoft Corporation, February 1994.
FASB Roundtable Discussion on ESOs at the Financial Accountings Standards Board, Norwalk, CT, April 1994

SERVICE

Editorial Board:

2002-2005	Senior Editor, <u>The Accounting Review</u>
2000-2001, 2006-	<u>Journal of Accounting Research*</u>
1996-1999	Editor, <u>Journal of the American Taxation Association.</u>
1998-2002	<u>Accounting and Finance.</u>
1997-2001, 2006-2009	<u>Journal of Accounting and Economics.*</u>
1988-90, 1992-1996	<u>The Accounting Review.</u>
1990-1993	<u>Journal of the American Taxation Association.</u>
1990-present	<u>Journal of Accounting and Public Policy.</u>
1993-present	<u>Contemporary Accounting Research.</u>
1993-1995	<u>Advances in Taxation.</u>
1995-present	<u>Journal of Accounting, Auditing, and Finance.</u>
2002-present	<u>Asia-Pacific Journal of Accounting and Economics</u>
<u>2009-present</u>	<u>Co-editor, Accounting Horizons</u>

Resigned 2002, due to possible conflict of interest as editor of The Accounting Review.
Reappointed 2006.

Ad hoc Reviewer:

Abacus, Journal of Accounting Research, Journal of Accounting and Economics, Journal of Financial Economics, Accounting and Finance, Accounting Horizons, National Tax Journal, Financial Management.

External Service (selected items):

2007-2008 President, American Taxation Association

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2006-2007 President Elect, American Taxation Association
2007 Chair, American Accounting Association/Financial Accounting Standards Board Financial Reporting Conference Committee.
2004-2005 Chair, American Accounting Association Competitive Manuscript Award
2001-2002 Member, AAA New Faculty Consortium organizing committee
2000-2002 Member, JATA Conference paper selection committee
1998-2001 D&T Doctoral Fellowship Selection Committee
1997-1998 Chair, AAA D&T Wildman Selection Committee.
1997 Presented CPE course on Empirical Tax Research at 1997 AAA Annual Meeting.
1997, 1998, 1999 Organized JATA Midyear Research Conference, and Panel Presentation as Editor of JATA.
2000, 2001 Member, JATA Midyear Research Conference Paper Selection Committee.
1996, 1997, 1998 American Accounting Association, New Faculty Consortium, Editors Rotation (presentation to new faculty).
1996 ATA Midyear Conference; Panel Presentations as incoming Editor of JATA, and Panel on the Scholes-Wolfson paradigm.
1995,2002 Chair, Pac-10 Doctoral Consortium Organizing Committee.
1995 American Accounting Association, Notable Contribution to Accounting Literature, Selection Committee.
1994-1996 Trustee-American Taxation Association.
1995-1997 Council Member at Large, American Accounting Association.
1993-1994 American Taxation Association Manuscript Award, Chair, Selection Committee.
1993 Annual American Accounting Association Meeting and American Taxation Association, Program Advisory Committee and Paper Selection.
1992, 1994 American Accounting Association, Doctoral Consortium Organizing Committee.
1991-1992 American Taxation Association, Research Methodologies Committee.
1991 American Taxation Association, Dissertation Award Committee.
1990 American Taxation Association Graduate Tax Manuscript Committee.
1992, 1993 American Accounting Association, New Faculty Consortium, Group Leader.

Internal Service (selected items):

2006- Chair, Department of Accounting
2003-2006 Chair, Professorship Selection Committee
2001-2002 Member, Paccar Professorship search committee
2000-2002 Member, University Graduate TA Task Force
2001-2002 Member, Search Committee Accounting Dept Head
2001-2002 Chair, Research Committee
1998-present Director, School of Business Doctoral Program
1998-2004 Accounting Area Doctoral Program Coordinator
1998-99 Professorship selection committee
1994-1997, 2001- Recruiting Committee, Chair, Accounting Department.
1995-1996 BA Research and Travel Committee.
1994-1995 PhD. Admissions Committee, Accounting Department.
1992-1994 BA Faculty Council, Chair 1993-94.
1992-1993 BA Computer Policy Committee, Chair.
1989-1990 BA Research and Travel Committee.