

Matthew R. Holt, CPA

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Research focus: Unintended costs of (tax-related) regulation.

Teaching interests: Taxation, financial accounting, managerial accounting, or data analytics.

EDUCATION

Ph.D., Business Administration (Major area: Accounting; Minor area: Finance),
University of Georgia, *expected 2025*
Master of Professional Accountancy (Taxation), Clemson University, 2016
Bachelor of Science (Psychology), Furman University, 2012

WORKING PAPERS AND WORK IN PROGRESS (*Presented by coauthor)

“The Role of Non-GAAP Reporting in Conforming Tax Avoidance” (*Dissertation*)

- Committee: John Campbell (co-chair), Erin Towery (co-chair), Ted Christensen, Frank Heflin, Fabio Gaertner
- Presentations: 2022 AAA Annual Meeting, 2024 GRACE Conference

Abstract: I investigate whether non-GAAP reporting changes incentives to engage in tax avoidance that reduces GAAP earnings (“conforming tax avoidance”). firms can report non-GAAP earnings that exclude the effects of conforming tax avoidance, they can potentially avoid the negative capital market reaction to lower earnings. In my primary tests, I find that non-GAAP reporters engage in more conforming tax avoidance, consistent with non-GAAP reporting reducing the financial reporting costs of conforming tax avoidance. This association strengthens as the benefits of non-GAAP reporting and conforming tax avoidance increase, and weakens as their costs increase. I also find preliminary evidence that non-GAAP reporters engage in two specific conforming tax strategies, expense acceleration and the LIFO inventory method, while engaging in less non-conforming tax avoidance. This study contributes to the literature on the real effects of non-GAAP reporting and has implications for the growing prevalence of taxes levied on GAAP earnings.

“The Effect of Unaudited Tax Positions on Corporate Tax Aggressiveness: Evidence from Statute of Limitations Lapses” with Michelle Nessa (Michigan State University) and Erin Towery (University of Georgia)

- Revising for resubmission to *Review of Accounting Studies*
- Presentations: University of Arkansas*, University of Iowa*, University of Mannheim*, University of Missouri*, 2021 AAA Annual Meeting, 2022 *Journal of the American Taxation Association* Conference, 2021 Norwegian Tax Accounting Symposium*, NTA Annual Conference*

Abstract: Tax authority resource constraints result in aggressive tax positions often going unaudited. This study uses statute of limitations lapses to examine the effect of unaudited uncertain tax positions on future corporate tax aggressiveness. We first document that uncertain tax positions are more likely to go unaudited when firms claim less aggressive positions, the tax authority has fewer resources, and firms have more extensive geographic footprints. In our main analyses, we find firms become less tax aggressive subsequent to uncertain tax positions going unaudited, indicating firms anticipate heightened tax authority scrutiny after financial statement disclosures of lapses. Consistent with firms’ expectation of increased tax authority scrutiny, we find Internal Revenue Service downloads of financial statements increase after firms disclose unaudited tax positions. Our findings shed light on

a previously unexplored facet of taxpayer-tax authority interactions and are important in light of resource constraints faced by tax authorities worldwide.

“Does Complex Regulation Create Insider Trading Opportunities?” with John Campbell (University of Georgia), Owen Davidson (Baylor University), and Nathan Goldman (North Carolina State University)

- Presentations: 2024 Central Texas Tax Symposium

Abstract: We use the passage of the 2017 Tax Cuts and Jobs Act (TCJA) to examine whether complex regulatory changes give firm insiders an advantage over investors. Consistent with differential abilities to process information about the new regulation, we find passage of the TCJA is associated with increased market uncertainty, information asymmetry, and insider trade profitability. Consistent with a tax mechanism, insider profits are concentrated in firms with less accurate analyst tax forecasts and among insiders with greater *ex ante* ability to understand tax law. Conversely, insiders trade less profitably during the TCJA at firms with greater external monitoring. We find preliminary evidence that insider trading profits are associated with the impact of specific provisions of the TCJA. Overall, our evidence suggests that complex regulation can create uncertainty that firm insiders exploit for their own gain, and that the legislative process can inadvertently reward firm insiders.

“Do GAAP Accounting Standards Affect Non-GAAP Reporting Practices?” with Rachel Scott (University of Georgia)

- Data analysis phase

Abstract: This study uses the implementation of FIN 48 as a setting to investigate how non-GAAP reporting practices respond to new GAAP accounting standards. The FASB intended FIN 48 to enhance the consistency and comparability of reporting for uncertain tax benefits, similar to manager claims that non-GAAP adjustments improve earnings consistency and comparability. Using Canadian firms as a control sample and a differences-in-differences design, we examine whether FIN 48 is associated with changes in the likelihood and quality of tax-related non-GAAP exclusions, and whether the market responds differently to tax-related exclusions after FIN 48. We also explore whether FIN 48 has spillover effects on non-GAAP exclusions of non-tax items. Our research contributes to our understanding of how non-GAAP reporting responds to flexibility in GAAP standards and it provides information useful to the FASB for evaluating the success and potential externalities of its standards.

TEACHING

Instructor, ACCT 2102 – Principles of Accounting II [Managerial], *University of Georgia*
Spring 2025 (*Planned*)

Instructor, ACCT 5400 - Taxation I, *University of Georgia*
Fall 2022 (4.1/5.0 instructor rating, 4.8/5.0 course difficulty rating)

Teaching Assistant, Survey of Accounting, *University of Georgia*, Summer 2024

Teaching Assistant, Internship in Accounting, *University of Georgia*, Summer 2024

Teaching Assistant, Managerial Accounting I, *University of Georgia*, Summer 2020

Teaching Assistant, Survey of Accounting, *University of Georgia*, Summer 2020

PROFESSIONAL EXPERIENCE

Ernst & Young, LLP (EY)

FSO Tax Senior (2019), FSO Tax Staff (2017-2019)

- Drafted investor-facing reporting for investment entities' tax provisions and other accounting for income taxes.
- Developed and implemented a standardized methodology for calculating partnership tax allocations under distribution waterfall agreements.
- Led office-wide training on technology and seminars on technical tax topics.

CONFERENCE PARTICIPATION (†Virtual)

Graduate Research Accounting Conference Emory	2024
Central Texas Tax Symposium	2024
University of Illinois Tax Doctoral Consortium	2021 [†] , 2023
AAA Annual Meeting	2021 [†] , 2022, 2023
ATA Midyear Meeting	2021 [†] , 2022, 2023
ATA Doctoral Consortium	2022, 2023
UNC Tax Symposium	2021 [†] , 2022 [†]
Texas Tax Theory Seminar	2022
Big Data & Machine Learning Camp (taught by Robbie Moon, Georgia Tech)	2021
University of Illinois Symposium on Tax Research	2021 [†]
ÊSTIMATE Seminar	2021 [†]
Norwegian Tax Accounting Symposium	2021 [†]
NTA Annual Conference on Taxation	2021 [†]

SERVICE

Discussant, AAA Annual Meeting	2022, 2023, 2024
Organizer, UGA PhD Student Brownbags	2020, 2021, 2022, 2023, 2024
Reviewer, Southeast Summer Accounting Research Conference	2023, 2024
Reviewer, AAA Annual Meeting	2021, 2022, 2023, 2024
Reviewer, ATA Midyear Meeting	2021, 2022
Reviewer, NTA Annual Conference on Taxation	2021
Discussant, University of Illinois Tax Doctoral Consortium	2023
Discussant, NTA Annual Conference on Taxation	2021

AWARDS AND MEMBERSHIPS

Elijah Watt Sells Award (2016)

Certified Public Accountant – Georgia (#037397), South Carolina (#9758A; inactive)

Ricky Rice Ph.D. Fellowship in Accounting

AAA Deloitte J. Michael Cook Doctoral Consortium Fellow (2023)

Member American Institute of Certified Public Accountants (since 2018)

Member American Accounting Association (since 2020)

Member American Taxation Association Section (since 2020)

REFERENCES

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Professor Ted Christensen
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Professor Erin Towery (co-chair)
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