This semester Fordham is pleased to welcome as a member of our business faculty David J. Shakow, professor of taxation and Gabelli Fellow.

Professor Shakow has acquired a wealth of experience since he received his J.D. from Harvard Law School in 1970. He served as clerk to the Honorable William H. Hastie of the U.S. Court of Appeals for the Third Circuit and, from 1977 to 1981, held a number of positions in the U.S. Treasury’s Office of Tax Legislative Counsel. He has been a professor at the University of Pennsylvania Law School since 1982 and has practiced at Davis Polk & Wardwell, KPMG, McKee Nelson, King & Spalding, and Chamberlain Hrdlicka. Professor Shakow also earned an LL.M. in taxation from New York University and a B.A. from Harvard College.

Get to know him via this quick Q&A conducted by MBA candidate Sarah Lesser (GBA ’14).

What are your areas of expertise?
Most of my work has been in the business income tax area. I wrote a case book on both corporate and partnership tax. I have some special expertise in the areas of bankruptcy taxation and the tax treatment of farmers’ cooperatives.

What are your key research interests?
I have an ongoing project trying to develop a wealth tax that would replace our current income tax. It is just a flat tax on wages and a flat tax on wealth, and its distribution among income classes looks pretty much like our current income tax (although not exactly—that's the rub). There are a lot of technical issues in developing such a system, and while a colleague of mine and I have published a preliminary article describing such a tax, it will require a lot more work to be able to outline such a system as a whole.

Describe one of your greatest professional achievements.
At Treasury, I helped develop the rules that now govern the taxation of futures transactions, which are generally “marked to market” for tax purposes—that means they are written up or down to fair market value, and gains and losses are recognized by the holder of the futures contract. This was a very radical idea at the time. We were able to convince the Congress to go along with this approach because there were a lot of abuses that we could document, and we were able to explain why marking to market made sense particularly in the case of futures contracts. When I went into academia, I wrote an article about how marking to market might be used to measure income for all income-tax purposes. To make my argument, I marshaled a lot of economics data (and actually had a graduate student from the economics department to help me). The use of empirical data was pretty unusual at the time.

After Treasury, what motivated you to begin a career in academia?
I enjoyed my years in law school, which made me think that I might enjoy teaching what I had enjoyed learning. But I did not want to try to teach about law without having practiced it. Once I got into practice, I discovered that tax law really interested me. I also enjoyed thinking about how taxes influenced people’s behaviors.

How can you contribute to Fordham’s tax program?
I think my experience in government, along with my practice and academic experience, will help give my students insights into how the law has been developed as well as how it is applied. I am hoping I can bring to Fordham some of the people I have worked with over the years, so that they can share their insights with our students, as our current faculty do.
Let's say you're a baseball player weighing a hefty multimillion-dollar contract offer from the Texas Rangers against a similar offer from the Yankees. Do the differences in income tax in Texas versus New York affect your decision—and give certain teams an advantage in recruiting talent? Professor Veliotis investigated. His resulting paper derives the equivalent gross salary for free-agents who play in high-income tax states versus low-income tax states. The state tax rate plus the rate imposed by the state in which the game is played—the so-called “jock taxes”—charged to players and their clients can use Professor Veliotis's work in accordance with the latest professional standards to case studies. Their class-room techniques directly benefit. Participants also can spread what they have learned to the rest of the business faculty.

—Claire Curry
Tijana Andzic (GBA ’15) worked in audit at PwC in Serbia for almost three years before coming to do an MS in accounting at Fordham. With graduate coursework to her credit, especially Corporate Tax and Federal Research, she is ready for a tax internship at Deloitte—a new field for her. Tijana said her Fordham classes have helped her broaden her accounting knowledge, especially in making the transition from IFRS to GAAP. “I am looking forward to the experience in the U.S. company environment and the opportunity to learn how the complex U.S. tax system affects companies,” she said. “Learning about taxes will help me get a bigger picture of the factors that influence companies’ financial statements and drive management’s business decisions.”

EY will become the professional home of Anna Simon (GBA ’14) when she finishes two Fordham degrees this August: an MBA in public accounting and an MS in taxation. Anna will become a tax associate for the firm, following a successful summer 2013 internship in its tax department. It’s exactly the kind of job she envisioned for herself when she started at Fordham, and she has on-campus recruiting and student club connections to thank for her success. “I am looking forward to putting the information and research skills I have acquired at Fordham into practice,” she said—not to mention networking with the scores of Fordham students and alumni who populate EY’s halls.

The accounting area at Fordham is always looking for alumni to participate in the current academic program. If you are interested in:

• Being a paid adjunct professor for a semester-long course
• Coming back to campus as a guest speaker
• Helping students get internships and jobs

Contact Stephen Bryan, area chair, at sbryan@fordham.edu

Eight years of German study and a finance major will pay off in May when Jeffrey Bolte (GSB ’15) travels to Munich to begin a summer internship in KPMG’s financial services tax-real estate division. “I’ve studied German for years, but I’ve never visited the country,” Jeff said. “I can’t wait to go.” He will learn about the structure of real estate deals in a division that advises German companies that own or are buying or selling real estate in America. It’s experience that aligns well with Jeff’s plans for a career in real estate finance. His résumé already includes internships at Bank of America Merrill Lynch and SterlingRisk Insurance on Long Island.