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The *eJournal of Tax Research* is a refereed journal that publishes original, scholarly works on all aspects of taxation. It aims to promote timely dissemination of research and public discussion of tax-related issues, from both theoretical and practical perspectives. It provides a channel for academics, researchers, practitioners, administrators, judges and policy makers to enhance their understanding and knowledge of taxation. The journal emphasises the interdisciplinary nature of taxation.

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Strengthening the validity and reliability of the focus group as a method in tax research

Vince Mangioni* and Margaret McKerchar[#]

Abstract

Contemporary tax research appears to be becoming increasingly multi-disciplinary and using mixed methodologies as researchers seek deeper understandings and thereby more critically ‘real’ solutions to research problems. This article provides a detailed discussion and demonstration of how analytical tools more commonly associated with quantitative research can be successfully applied to qualitative data (collected by either quantitative or qualitative methods). The demonstration herein is based on data collected by two focus groups conducted as part of a broader study into determining the value of land for the purposes of taxation. It is argued that the techniques used herein, including data coding focused not only on themes, but on points of agreement and disagreement, and considered weighting of data can allow qualitative researchers to strengthen the (construct and internal) validity and reliability of their findings without compromising the richness of the understandings gained.

1. INTRODUCTION

Taxation is an area of research populated by scholars from diverse disciplines including law, accounting, economics, psychology, sociology and political science. Over time this diversity has both enlarged and enriched the approaches evident in tax research. Historically, tax researchers tended to discretely employ methods reflective of either the quantitative, qualitative or legal research paradigms, by and large reflective of their underlying disciplinary backgrounds. However, there is evidence that contemporary tax researchers are seeking to use more flexible and innovative approaches in their research and the use of mixed methodologies and mixed methods is no longer uncommon,¹ and indeed, is regarded by some as an imperative.²

* Dr Vincent Mangioni is a Senior Lecturer, School of the Built Environment, University of Technology Sydney. This article is based in part on his doctoral studies undertaken at the School of Taxation and Business Law, Australian School of Business, The University of New South Wales, Australia. Email: Vincent.Mangioni@uts.edu.au (corresponding author).

[#] Dr Margaret McKerchar is a Professor of Taxation, School of Taxation and Business Law, Australian School of Business, The University of New South Wales, Australia. Email: m.mckerchar@unsw.edu.au.

¹ For example see EC Loo, *The Influence of the Introduction of Self Assessment on Compliance Behaviour of Individual Taxpayers in Malaysia* (PhD Thesis, The University of Sydney, 2006); WA Yesegat, *Value added tax in Ethiopia: A study of Operating Costs and Compliance* (PhD Thesis, The University of New South Wales, 2008) <<http://handle.unsw.edu.au/1959.4/43317>>; and P Lignier, *Identification and Evaluation of the Managerial Benefits derived by Small Businesses as a Result of Complying with the Australian Tax System* (PhD Thesis, The University of New South Wales, 2008) <<http://handle.unsw.edu.au/1959.4/41018>>.

² C Alley and D Bentley, ‘The Increasing Imperative of Cross Disciplinary Research in Tax Administration’ (2008) 6 (2) *eJournal of Tax Research* 122.

By and large this cross-fertilisation of research paradigms is driven by tax researchers seeking deeper understandings of their research problems and more critically 'real' solutions. Knowing how many people in a particular location agree with a certain view or behave in a certain way (i.e. the 'where' and 'what' more questions traditionally associated with quantitative research underpinned by positivism) is often insufficient in articulating the rationale for a phenomenon; particularly for researchers seeking to drive change hence needing more complete answers including to the 'why' and 'how' questions more traditionally associated with qualitative (i.e. non-positivist) research.³ However, whilst there may be increasingly willingness to consider the appropriateness of methodologies from the qualitative paradigm and associated methods (including in-depth interview and focus group) to a given research problem, there usually remains some scepticism towards the findings generated. The perceived major weaknesses in qualitative research have been discussed at length in the literature⁴ and centre on the validity or robustness of the findings generated (in that they are subjective to some extent) and their reliability, or the ability to replicate such studies. These perceived weaknesses have been attributed to the difficulty of data analysis in qualitative research generally, but in particular, with the focus group method.⁵ Researchers using a method from the qualitative paradigm will often note that they have relied on thematic analysis of the data collected (for example, from in-depth interviews)⁶ and developed a systematic coding technique to improve the robustness of their research,⁷ but the steps taken are rarely, if ever, explained in any detail.

This leads to the underlying purpose of the article. That is, to present a detailed example of the techniques used to analyse data collected using the focus group method in the context of tax research. The intention is to demonstrate that greater validity and reliability can be achieved in the use of the focus group in tax research, if so desired, though it does require some willingness to adopt a more positivist approach. It is felt that the techniques presented herein are innovative and could be of interest to other tax researchers.

By way of context, the example of a focus group method which forms the basis of this article was part of a mixed methodological study into making the base of an efficient land tax simple and transparent.⁸ In the study as a whole, four research methods were employed: namely simulation (or experiment), survey, semi-structured interview (these first three being aligned with the quantitative paradigm) and focus group (being

³ M McKerchar, *Design and Conduct of Research in Tax, Law and Accounting* (Law Book, 1st ed, 2010).

⁴ See for example E Babbie, *The Practice of Social Research* (Thomson, 11th ed, Belmont CA, 2007); W Neuman, *Social Research Methods: Qualitative and Quantitative Approaches* (Pearson Education, 6th ed, Boston MA, 2006); MQ Patton, *Qualitative Research and Evaluation Methods* (Sage Publications Inc, 3rd ed, Thousand Oaks CA, 2002); and M Miles and A Huberman, *Qualitative Data Analysis* (Sage Publications Inc, 2nd ed, Thousand Oaks CA, 1994).

⁵ J Smithson, 'Focus Groups' in P Alasuutari, L Bickman and J Brannen, *The Sage Handbook of Social Research Methods* (Sage Publications Inc, Thousand Oaks CA, 2008) 357.

⁶ For example see M McKerchar, H Hodgson and M Walpole, 'Understanding Australian Small Businesses and the Drivers of Compliance Costs: A Grounded Theory Approach' (2009) 24(1) *Australian Tax Forum* 39.

⁷ D Ezzy, *Qualitative Analysis: Practice and Innovation* (Allen & Unwin, Sydney, 2002).

⁸ V Mangioni, *Codifying Value in Land Value Taxation* (PhD Thesis, The University of New South Wales, 2013) <<http://handle.unsw.edu.au/1959.4/52404>>.

aligned with the qualitative paradigm). Again, the intention of the article is not to focus on the findings of the research per se, but on the analytical techniques employed on data collected using the focus group method. The article is presented in 4 parts. Following on from this Introduction, the theoretical underpinning of the focus group method is discussed in part 2, along with the design and conduct of the focus group method used in this study. In part 3 there is detailed discussion on the techniques used in data analysis, followed by concluding comments in part 4.

2. THEORETICAL UNDERPINNINGS OF THE FOCUS GROUP METHOD

An extensive body of literature exists on research methodology from both theoretical and applied perspectives and different paradigms or schools of thought exist depending on the way in which the researcher believes knowledge is created. Researchers who believe knowledge is created inductively and that it is subjective, create theories regarding observed phenomena and adopt methods and practices that are in accordance with the expectations of the qualitative paradigm. Researchers who believe knowledge is created deductively and that it is objective, develop hypotheses that can be tested using empirical methods and practices in accordance with the expectations of the quantitative paradigm. There is undoubtedly blurring around the edges, but researchers usually have an underlying position or set of beliefs that guide them and their choices, and these choices may include a mixed methodological approach such as was adopted in this context.⁹

A mixed methodology approach draws on both the quantitative and qualitative paradigms and their methods, thereby using multiple methods, either concurrently or sequentially.¹⁰ The rationale for using multiple methods is that it can strengthen the overall research design by allowing for the findings of one method to inform another (and thereby allow for greater exploration) or to triangulate findings.¹¹ Further, the considered use of multiple methods can allow the researcher to draw on the strengths of one method or paradigm and, at the same time, minimise the inherent weaknesses of another. Again, this reflects the desire on the part of the researcher to draw meaningful and more holistic conclusions.

It is important to consider the issues of validity and reliability as their importance is regarded quite differently by quantitative and qualitative researchers. Validity, as a test of the quality of the research, is typically regarded as being able to be established in three ways namely construct validity, internal validity and external validity.¹² Construct validity requires that appropriate measures have been used for the concepts being studied. Internal validity requires that the method used (and any related instruments or protocols) provide the data appropriate to the research (whether it is descriptive, explanatory and/or exploratory) so that conclusions drawn are authentic. External validity refers to the extent to which the findings can be generalised to

⁹ For more detailed discussion on research methodology and methods see M McKerchar, 2008, 'Philosophical Paradigms, Inquiry Strategies and Knowledge Claims: Applying the Principles of Research Design and Conduct to Taxation' (2008) 6 (1) *eJournal of Tax Research* 5. See also Babbie (2007) and Neuman (2006) at n 4.

¹⁰ JW Creswell, *Research Design Qualitative, Quantitative and Mixed Methods Approaches* (Sage Publications Inc, 2nd ed, 2003).

¹¹ See McKerchar, at n 3.

¹² R Yin, *Case Study Research – Design and Methods* (Sage Publications Inc, 4th ed, Thousand Oaks CA, 2009) 40.

broader populations. Reliability refers to the ability to replicate the study (and thereby confirm/reject its findings) and is regarded as test of the quality of the research. However, external validity and reliability are generally not as important issues for qualitative researchers in that they are not making generalisations to broader populations. Nevertheless, qualitative researchers remain concerned about the accuracy and appropriateness of the data collected, so construct validity, internal validity and reliability can still be relevant and worthy of pursuit where strengthening the quality of the research is desired.¹³

The key to strengthening the validity and reliability of data analysis (or interpretation) in qualitative research lies in the techniques used, beginning with the coding of data. Coding is a generic process by which data is organised into categories on the basis of themes, concepts or similar features that will reduce the data into more manageable forms or categories for the purposes of interpretation.¹⁴ The categories may be determined in advance or may emerge from the data. It is acknowledged that coding of qualitative data does have its shortcomings, including that data may become fragmented and lose its depth of meaning. Further, too few or too many codes (and/or codes that inappropriate or inadequate to catch the essence of the data) can also undermine the quality of analysis.¹⁵

There are proponents of a more systematic three stage coding process – open coding, axial coding and selective coding – where each stage represents a greater level of refinement¹⁶ and this process has been used previously by tax researchers.¹⁷ Open coding is the first pass (or read) through of data. It tends to be quite broad and directed at identifying similarities and differences in the data,¹⁸ though this is by no means to a straightforward process.¹⁹

During axial coding the researcher focuses more on the appropriateness of the initial codes than on the detail in the data, considering the relationships between the concepts and whether or not some of the codes can be collapsed and the themes further refined (to simplify the analysis). During selective coding, the final pass of the data, the researcher looks specifically for cases that either illustrate or provide contrasts to the general themes that emerged during axial coding. This third stage involves almost working backwards – from the codes to the data.²⁰ Coding is considered complete when the researcher is satisfied that the theory is “saturated” – that it adequately supports and fills out the emerging theory.²¹

Whilst the three stage coding process is systematic and this strengthens internal validity to some extent, the extent to which it enables replication is uncertain. Further,

¹³ See McKerchar, at n 3. It is recognised that not all qualitative researchers would concur with this view and indeed some reject the relevance of validity, reliability and generalisability to qualitative research. See for example DJ Clandinin and FM Connelly, *Narrative Inquiry: Experience and Story In Qualitative Research* (Jossey-Bass, San Francisco, 2000) 184.

¹⁴ Neuman, at n 4, 460; Ezzy, at n 7, 94.

¹⁵ See for example A Bryman, *Social Research Methods*, (Oxford University Press, Oxford, 3rd ed, 2005) 552-553; and McKerchar, at n 3.

¹⁶ Neuman, at n 14.

¹⁷ See for example McKerchar et al, at n 6.

¹⁸ A Strauss and J Corbin, *Basics of Qualitative Research* (Sage Publications Ltd, London, 1990) 9.

¹⁹ Ezzy, at n 7, 89.

²⁰ Neuman, at n 4, 464.

²¹ Ezzy, at n 7, 93.

it is unclear whether three passes through the data allows for full extraction of its meaning and robust interpretations to be made. This gives rise to a real dilemma for qualitative researchers who want their contributions to be taken seriously by qualitative and quantitative researchers alike. There are advocates for applying forms of quantitative techniques to the analysis of qualitative data, including Miles and Huberman²² and Bryman;²³ and they have provided some of the inspiration for the techniques used herein as described in the next part of this article.

In particular, Miles and Huberman²⁴ emphasise the importance of thinking *display* (such as matrices) when it comes to data, and then invent the most appropriate formats for the purposes of the research. Similarly, Bryman²⁵ cites content analysis (which is basically a data coding process) as an example of a quantitative analysis tool successfully used to analyse qualitative data collected as part of qualitative research, and recognises that this combination could have potential in other areas of social research by qualitative researchers with more positivist leanings. Further, Bryman argues that content analysis offers greater transparency and the ability to replicate, but does caution that it is not well suited to answering “why” type questions and that its emphasis on measurement may mean that the theoretical significance of the content may be overlooked.²⁶ However, Bryman concedes that some precise quantification of qualitative data may be better than the use of imprecise terms such as ‘rarely’ and ‘many’ and concludes that there may be merit in quantifying qualitative data, but only to the extent that it enhances the qualitative research.²⁷

Returning to the context of this article, the focus group method was one of four methods employed by the researcher who was more inclined towards positivism and objectivity. A focus group is regarded as a qualitative method, its primary aim being to describe and understand perceptions, interpretations and beliefs of a select population to gain an understanding of an issue from the perspective of a group of participants.²⁸ A focus group is not a group interview. The key difference is that a focus group is a discussion led by a moderator who seeks to get the participants to actively engage with each other and draw out their views. Smithson²⁹ explains that they are not a well-understood research method and that there is a lack of theoretical

²² M Miles and AM Huberman, *Qualitative Data Analysis: A Sourcebook of New Methods* (Sage Publications Inc, Beverly Hills CA, 1984); M Miles and AM Huberman, *Qualitative Data Analysis: An Expanded Sourcebook* (Sage Publications Inc, 2nd ed, Thousand Oaks CA, 1994).

²³ A Bryman, *Social Research Methods* (Oxford University Press, 2 ed, 2004).

²⁴ Miles and Huberman (1994), at n 22, 11.

²⁵ See Bryman, at n 23, 566. At pp 287-287 Bryman provides a detailed example of content analysis based on the reporting of crimes subject to court proceedings. The dimensions of interest include the nature of the offence, the gender of the perpetrator, the social class of the perpetrator, the age of the perpetrator, the gender of the victim, the age of the victim, the depiction of the victim and the position of the news item. As the content is examined, it is coded accordingly to allow for quantification (such as the number of occurrences; the number of years) and statistical analysis.

²⁶ Bryman, at n 15, 291.

²⁷ Bryman, at n 15, 598-599.

²⁸ Khan and Manderson (1992) 57 cited in P Liamputtong and D Ezzy, *Qualitative Research Methods* (Oxford University Press, 2005) 76. Focus Group 1 had a strong legal and educational representation, balanced with two practising valuers with rating and taxing valuation experience. In contrast, Focus Group 2 comprised two legal representatives, a recent property economics graduate and a larger contingent of valuers.

²⁹ Smithson, at n 5, 357.

and analytical literature on their use. This is partially attributed to the fact that in the past they have been used mainly as a market research tool for gathering quick “opinions”, though they are now being used more widely in the social sciences including by tax researchers.³⁰

Focus groups can be homogeneous or heterogeneous and can vary in size from 6-12 and optimally run for 90 to 120 minutes.³¹ In this study it was decided to conduct two focus groups to enable comparative analysis, and that the focus groups would be formed on the basis of multi-professional disciplines (i.e. valuers, property solicitors, educators and tax administrators). Participants were recruited via the Australian Property Institute as the intermediary and an independent facilitator was engaged to moderate the focus groups. The researcher gave a brief introductory presentation of the research objectives and results of the three previous methods (simulation experiment, survey and in-depth interview) to each group before departing (to enable free and frank discussion). The researcher returned for the final 15 minutes of each session during which the group presented its conclusions.

The broad objective of the focus groups was to discuss refinements and reforms for determining the value of land in highly urbanised locations. The facilitator led the discussion along the lines of four broad themes that had emerged in the literature and the other three research methods already completed. These themes were codification, valuation practice (including sales evidence, frequency and method), information, and education and training. Participants were asked to discuss and draw recommendations on the following points:

- i. Requirements for the training and education of valuers;
- ii. The importance of information and what additional information could assist in the valuation of land process;
- iii. Measures which could be adopted to ensure consistency in the assessment of value within valuation of land legislation and procedures for assessing value, for a codified process. This included three broad areas of i) sales analysis, ii) frequency of valuation and iii) method of valuation; and
- iv. The extent and limitations of the codification process. This was broken up into two areas being i) the codification of legislation governing the valuation of land and ii) codification of the valuation process.

The focus groups were audio taped in their entirety and independently transcribed. Table 1 identifies the participant by reference to their profession and the abbreviated code assigned to each which is used in the focus group transcripts, extracts of which follow in the next section of the article.

³⁰ See for example C Coleman and L Freeman, ‘Cultural Foundations of Taxpayer Attitudes to Voluntary Compliance’ (1997) 13(3) *Australian Tax Forum* 311; and R Woellner, C Coleman, M McKerchar, M Walpole and J Zetler, ‘Can Simplified Legal Drafting Reduce the Psychological Costs of Tax Compliance?: An Australian Perspective’ (2007) 6 *British Tax Review* 717, although neither of these articles explain in any detail the analytical tools used in respect of the focus group method used.

³¹ RA Krueger and MA Casey, *Focus Groups A Practical Guide for Applied Research* (Sage Publications Inc, 4th ed, 2009).

Table 1: Focus group participants

Focus Group 1		Focus Group 2	
Property Solicitor	PS	Barrister / Valuer	BV
Property / Construction Solicitor	CS	Solicitor / Valuer	SV
Valuer	V1	Valuer	V3
Valuer	V2	Valuer	V4
Valuer / Educator	VE1	Valuer	V5
Valuer / Educator	VE2	Valuer	V6
Researcher	R	Property Graduate	PG
Independent Facilitator	FAC	Researcher	R
		Independent Facilitator	FAC

3. DATA ANALYSIS

Consistent with discussion in the focus groups being moderated in accordance with the four themes identified above, thematic analysis of data began in the same vein. On reflection, it became apparent that some refinement of pre-determined themes was needed as were additional themes to capture the essence of the data. As a result, the nine themes that emerged were as follows: taxation, economics, education, valuation process, valuation frequency, valuation method, information, codification of law and codification of practice.

To simplify analysis, a basic structure was then adopted whereby each theme was labeled, defined, described, and analysed for positive and negative feedback and points of confirmation.³² Key points of agreement and disagreement were juxtaposed and scored. The scores for each theme were tallied and weighted to provide a measurable outcome for that theme. This method provided a more objective means of determining the most contentious factors. The summaries of each theme are included in table format with points of agreement highlighted in green; points of disagreement in red and additional points and comments which contribute to the debate but are neither in agreement or disagreement are highlighted in blue. In some instances comments were not scored where it was the same participant commenting further or where a point was being clarified by another participant. In concluding this part of the analysis, the average weighted score was assigned the following outcome:³³

1 – 1.5 = general agreement

1.6 – 2 = neither agreement or disagreement

> 2 = general disagreement

³²RE Boyatzis, *Transforming Qualitative Information: Thematic Analysis and Code Development* (Sage Publications Inc, 1998) 31. The framework used was adapted from this source.

³³ Miles and Huberman (1994), at n 22, 57 state that '[A]n inductive approach using a general accounting scheme allows codes to be developed in graduating from micro to macro levels in drawing conclusions.'

A detailed account of the first three illustrative themes³⁴ discussed by the focus groups now follows in table display form with the focus group identified in the left column followed by the page number in the full transcript, commentary and finally, rating. The analysis of both focus group comments is combined for the purposes of analysis. This allows agreement and disagreement on the themes across both groups to be compared. The left hand column allows the reader to distinguish if agreement and disagreement occurred within or across the two groups. The table displays serve to demonstrate the application of the analytical techniques used herein..

Theme 1: Taxation

The average weighted score for a land tax constituting a tax for services was 2.1, which is at the lower end of the ‘general disagreement’ range. Various views for its justification were discussed, with some level of disagreement emerging between participants on whether or not state-based land tax was an earmarked general purpose tax. Both groups raised the prospect of land tax being replaced with a higher rate of Goods and Services Tax (GST), which would move the taxation from land or capital to a higher tax on consumption. A further discussion point was the practical implications of changing the tax base from land value to improved value. Discussion on this point ranged from the complexity in determining land value in highly urbanised locations, to the enormity of the task and workforce needed to measure and record improvements using improved value. A summary of the discussion of the above points and the interaction within each focus group follows:

FG	Pg	Commentary – Taxation	Rating
1	3	VE1: ... overall in terms of being an investor in property, are you better off tax wise at being an investor in shares or something else. Obviously land tax is just part of a package of taxation structure that goes around being a property investor that's, you know, I don't know whether that's ... I see it more as being an easy way, your original point, you know; it's an easy way to raise revenue, you can't duck it; it's given ...	1
1	3	VE2: A.... About the Government trying to recoup the money it puts in for infrastructure. Because yeah, for land to work, the infrastructure has to be there. And indirectly ...	1

³⁴The rationale here is to demonstrate the analysis technique rather than research itself, which in its entirety is beyond the scope of this article. Detailed analysis of all themes is available by contacting the corresponding author.

FG	Pg	Commentary – Taxation	Rating
1	4	PS: But it appears to me it's a very indirect link between the two. That the people who put the infrastructure in is [sic] not the State in any event, usually. It's in new release areas, it's the developers who are putting it in, being funded by the sales of the properties. And then in existing areas, it's local Councils that are putting it in. And local Councils are starved of resources; they don't have any money to be upgrading their infrastructure. State Government is aware of that and doing nothing about it, and the land tax in NSW is going just to fund recurrent expenditure on employees and other things. It's not, if it was meant to land, I mightn't have such an issue with it; but for me, it really just seems to be about revenue and nothing else. And you can justify; you can think up reasons why it may be more equitable than raising revenue some other way; but I don't think any of that underpinned the reason it was introduced or the reason that it's retained.	3
1	22	VE2: There's one school of thought – do away with State taxation, and just make GST 15%. Now it's fixed. We have no stamp duty; no land tax.	3
2	30	FAC: Oh, yes, but then people like me jump up and down and say, 'But you're letting the rich off the hook, and you're penalizing the poor.' Because GST is regressive, and the other one is progressive.	
2	30	BV: Yep. So poor Local Government versus States, yeah.	
		V4: I think it started off being a little bit on the complicated side, and the unimproved value of land. But these days, it's got that complex, and there's so many different concessions.	
2	5	V5: You can do away with it entirely if you're just looking at a tax thing. You can just make it part of the GST. You can just make it part of the GST; but we have a land tax management. That's what we're talking about, in my book.	3
2	15	V4: The problem I see is that you've got a system, a tax system, that's based on something that's in many cases difficult to prove. Now, if I'm the tax man and I say, 'All right, R, how much did you earn last year?' you'll tell me. All right, you pay so much in the dollar on what you earn. But when you try to work out the land value on a piece of land, you start to hit a point where there's something in there – which being, most of the time being a house – and you've got to work out what that block of land is worth after you take away that house. And there's so much conjecture about what that house is worth. Whereas the system I think is wrong, because it shouldn't be doing that; it should be taxing people, if they want to have a land tax, tax them on something that's tangible at the time that they do it.	3
		FAC: What would you suggest that would be, then?	
		V4: Well, maybe improved value.	2
		V6: Or rental value.	2

FG	Pg	Commentary – Taxation	Rating
		SV: Knock on heavy doors; measure on improvements. You'd need a huge workforce to do that. I think land value, if you're going to have a property based tax, they can ... land value has got to be it, in my view.	1
		Weighted Average Score	2.1

Theme 2: Economics

The average weighted score for the economic rationale of a tax on land was 1.67, which is on the border of 'general agreement' and 'neither agreement nor disagreement'. The main point raised under this theme was that a statutory void exists in respect of the meaning of the highest and best use of land. Maximising the use of land and promoting its development was stated by a number of participants in each focus group as the primary economic rationale for taxing land. A point raised by V3 was the importance of capturing the value added by externalities, with public utilities used to demonstrate. This provided a rationale for the distinction in value of land in different locations which captures the added value attached to the efforts generated by the community. A summary of the discussion of the above points and the interaction within each focus group follows:

FG	Pg	Commentary – Economics	Rating
1	11	CS: Why couldn't you just do it on the value of the improved value, and just charge a lower rate? Is there any objection to that?	
1	11	V1: Some could be not maximizing the highest and best use.	1
1	11	PS: It stimulates free development.	1
2	4	V4: I think the idea that it's based on value probably gives an incentive to land owners to develop their properties to highest and best use, which is probably one good aspect of it, if you look at it that way; so it encourages development.	1
2	4	V3: I agree. But that's what I'm wondering, just what we're talking about. If we're talking about that, I would say land value encompasses all those other things; in that if somebody puts a swimming pool there, and I have used the swimming pool and library and the public utility facilities, and my value goes up 10 per cent, and someone else doesn't get the benefit of those facilities and their value doesn't move because of those things, then they're not ... I'm quite prepared to pay more in rates and taxes. Because the value of my asset is going up. Whereas if I want to sell, then I will reap the benefit of that 10 per cent increase, but they get nothing. If my land's worth \$1M and that 10% increase of about \$100,000 overnight, because of somebody's effort. Whereas if I don't get that, I don't get that \$100,000. Or if I've only got a block worth \$100,000, I get \$10,000. So I get \$1M; you get \$10,000, okay. So on the basis of that, I would think that land value used as a base for rating land tax is quite reasonable.	1

FG	Pg	Commentary – Economics	Rating
2	4	V5: I tend to disagree, and it's been done away with in parts of England, where I suppose you say commercial industrial land is rated by way of an assessment, a rental assessment; based on this rental assessment, I suppose you could say that's related to land.	3
2	4	V5: Victoria. And otherwise, the residential is just done on a block basis. Block, you know, okay there's a ... there's Harrington Gardens. Harrington Gardens, every property in Harrington Gardens attracts – I'm just using something as an example – attracts 'X' amount of dollars in land tax. The land tax question, V3, is land tax. It's land tax. It's here; well you can call it what you can call it. You can call it another brand of GST, if you like! But it's land tax. And currently, in my view, the way its raised in NSW is, I'd like to use a stronger term. But it's up to no good whatsoever; it's a ridiculous exercise.	
2	6	BV: Can I just go back? I think one of the critical things that you said, that the concept of land tax is to force people to develop their land, or encourage them to develop their properties, to the highest and best use. Now, highest and best use is a term that's bandied around; but a lot of people don't understand what highest and best use is. And there's a recent decision of the Court of Appeal of Victoria in ISPT and the Valuer-General, which does really set out in quite definite terms what highest and best use is; and that's, you know ... and I think that's critical. But that's a good theory, to do that; but it doesn't transpose into reality. Because the vast majority of properties developed; people just can't say, 'All right; well I've got my land tax bill; I've got to do something about this. I've got substantial improvements on my property. But they don't represent highest and best use; but I can't economically afford to pull those buildings down and redevelop the property to its highest and best use.' So you know, that's a fallacy that has been complicated over a long period of time. Might have been all right in the early days, when there was a lot of vacant land; said, 'All right, we've got a block of vacant land; it's going to be taxed,' so you'll develop it to its highest and best use to get the best return out of it. But ...	3
		Weighted Average Score	1.67

Theme 3: Education

The average weighted score for the need for education was 1.17 which is in the mid-range of 'general agreement'. There were no negative points or points of disagreement among the participants of either focus group. The three key points emerging from this theme related to training, practice and the need for valuers to be aware of the relevant law. While the benefit of university and other educational courses was recognised, greater emphasis was needed on on-the-job training. Also noted was the need for valuers working either for government or for taxpayers against government, to be equally aware of the practices and procedures involved in the determination of value. Further, valuers needed to maintain currency of valuation practices including relevant case law. A summary of the discussion of the above points and the interaction within each focus group follows:

FG	Pg	Commentary – Education	Rating
1	34	VE2: I can tell you now that the valuers who are taking the contracts actually have to attend a statistics course. And XYX takes it. And he runs them all through it; I think it runs for a couple of days on how they're arriving, not the actual valuation process, but what's going to happen to their numbers when they update, and what process they use. I think he used the term "normalization" of the valuation results, yeah.	1
1	35	VE2: And exactly as he said, at the base level you'd have it, you've got a subject of statutory evaluation. Most courses, they would have to reflect the new methods that are ... not new methods, but how the process is. Then you just have to keep exactly, as you said, all your valuers up to date that are contracting. And it may be a condition of their contract.	1
2	27	V4: Yeah, including improvements. And that I guess is going to come down to making sure that obviously those valuers that are doing it for the Government are doing it correctly, and in private companies as well. Because obviously on the other side of this, when these things do go to court, it's obviously private companies that are often representing the landowner. And their valuers obviously have to be aware of these things and the rules and procedures. And that's, I guess, got to form part of their training within the company. Before that, within uni obviously, or wherever they're trained. But I think there are well known methods of valuation that are out there.	1
1	35	PS: The textbooks seem to be full of law. So I would have thought it's already embedded in what they're learning. I mean, there's not a valuer involved in court work that doesn't know the key cases, that there are certain textbooks that everybody refers to, and the Judges refer to. So I think it's probably already there. And I don't know whether these changes would create a greater need for it; may in fact create, lessen the need for it. Of course, where you're adopting a whole different set of the valuation methodologies, or there are [sic] an armoury of them available to you; you've got to be across all of them, and across the law that applies to them.	1
2	30	V5: When I was a young valuer, we used to ... one of the things we used to have were court decisions. And every case in the "Valuer" magazine, there were four or five important court decisions which were recorded. And even today, courts quote the valuer decisions, the valuer ...	1
2	30	V5: Well let me say this, under this mass valuation exercise, A..., I can answer your question. When you've got pressure on you to get out something like 22,000 valuations for which you have tendered \$3 a time, do you think that anyone is going to bother sending out the forms required under Section 15, or is available under section 15. They spend their time looking at Walt Disney – I won't say that's not Walt Disney – spend their time looking at IT monitors. Never get out there with a map under their arm, right.	
		Weighted Average Score	1

The same data analysis technique was undertaken across the nine themes and a summary of weighted average scores for each was determined and is presented in Table 2. It can be seen that ‘general agreement’ existed between the focus groups on the broader points of training and education, frequency of valuation and the role of information. On valuation themes, ‘neither agreement nor disagreement’ resulted on sales evidence, valuation method and the codification of the valuation process. ‘General disagreement’ existed on the taxation of land, and, more specifically, on the purpose of the tax. The second point of ‘general disagreement’ was on codification, though less existed in the codification of valuation practice compared to codification of the law. The quantification of the qualitative data does provide a more transparent and objective indicator of the extent of agreement/disagreement and thus provided a useful barometer for the appetite amongst stakeholders for reform, which was central to the overarching research problem.

Table 2: Summary of Weighted Average Scores

Theme	Weighted Average Score	Agreement / Neutral / Disagreement
General Themes		
- Taxation	2.10	Disagreement
- Economics	1.67	Neutral
- Education/Training	1.00	Agreement
Valuation Practice		
- Sales Evidence	1.63	Neutral
- Frequency	1.00	Agreement
- Method	1.73	Neutral
Information	1.00	Agreement
Codification		
- Law	2.00	Disagreement
- Valuation Practice	1.78	Neutral

It is believed that the analytical techniques as described above benefited the research in that they improved the validity and reliability of its findings without compromising the richness of the data collected. Apart from there being greater transparency and consistency in coding (thereby enhancing the replicability of the method), it is contended that the techniques enabled the identification of areas where reforms were needed, an indication of their priority, and the level of expected stakeholder support for these reforms. The techniques used herein which included thematic analysis (including colour coding) and the juxtaposition and scoring of opinions, allowed for the derivation of more concise and objective differentials and greater reliability in gauging of the factors most likely to inhibit reforms. The contrasting results from Table 2 serve to illustrate this point. For example, taking the general themes of ‘Taxation’ and ‘Education/Training’ it is clear that there is substantial general disagreement (based on the weighting) as to the fundamental issue of whether or not

land tax constitutes a tax for service. The implications are that reforms to land tax as a tax base will be challenging for policymakers. In contrast, stakeholders were in general agreement on the importance of education and the need for on-the-job training.

Finally, whether or not the analytical techniques used herein represent an improvement on traditional methods does depend on the ontological and epistemological beliefs of the individual researcher. In this case, the adoption of a more structured approach to qualitative data analysis does reflect a leaning towards positivism, and this bias is acknowledged.

4. CONCLUDING COMMENTS

Tax research is often multi-disciplinary in nature, reflecting both the varied backgrounds of its contributors and the fact that tax is a social phenomenon. This multi-disciplinarity should be regarded as a positive in that it allows tax researchers to see beyond the perceived norms and barriers, to look further afield for new insights and guidance in research design and conduct. This has led to the innovative approach detailed in this article whereby qualitative data has been quantitatively analysed in a transparent and reflective way so as to capture the richness of the data, but at the same time, strengthen the construct and internal validity of the findings, and their reliability. It was never intended to generalise the findings beyond the focus groups hence external validity was not regarded as an issue in this research. The technique used herein could be readily replicated and/or further adapted by other tax researchers – not only in the context of focus groups or other methods associated with qualitative research, but also with qualitative data collected by quantitative methods (for example, open-ended questions included in a survey).

It is argued that this article makes two important contributions to the literature. Firstly, it does demonstrate in detail the actual process of coding and analysing qualitative data, and in doing so does address a significant gap in the tax literature. More importantly, the technique used to quantify the qualitative data by using points of agreement/disagreement and weighting them in the manner described herein is innovative, particularly in the case of tax research and arguably so in broader contexts.

While there is support in the literature for such innovations, they do seem hard to find. It is true that all data begins as qualitative in nature, but that the positivists among us convert this to quantitative data and apply quantitative analysis techniques. Herein we have used a mixed methodology and applied four methods in a sequential manner, including the use of the focus group from the qualitative paradigm, to construct a deeper understanding of the research problem in the pursuit of a more meaningful solution. In analysing the data from the focus group we have endeavoured to develop systematic, rigorous and transparent analytical techniques more consistent with the quantitative paradigm, while at the same time, attempting to retain the richness of meaning extracted from the data.

There is no one ideal solution to the analysis of qualitative data and the techniques used in this study represent one alternative approach that other researchers may consider adopting or adapting further. Undoubtedly the identification of themes, the coding process and the weighting has involved some subjectivity on the part of the researchers and this is acknowledged. Still, the level of transparency displayed herein in the process of data analysis does go some way to countering this weakness, as does

the fact that it is just one part of a larger study. That is, the overall findings made are not based on this one method alone. As the body of knowledge on research design continues to develop, it is hoped that this contribution may stimulate others to continue to innovate in the design and conduct of tax research, as the opportunity to do so is unlimited.