



Opponent's report on habilitation thesis

„Harmonization of personal income taxation across European Union member states“

Habilitation thesis of PhDr. Tomasz Wolowiec, PhD. is focused on the issues of possibility and desirability of harmonizing of personal income taxation in the European Union.

Habilitation thesis is very extensive having 302 pages. In first chapter "Introduction" author specified in a rather vague way objective of his thesis followed by 1 hypothesis and 7 research questions, identified methodological assumptions and specified at general level used research methods.

To the quality of the thesis did not contribute the fact, that this chapter is not followed, as it is typical for research works, by chapters devoted to detailed specification of main and partial objectives and hypothesis, chapter on data used and methodological approaches applied to prove or to reject individual hypothesis or to find answers on research questions and by the chapter on literature review of what has been published on the topic.

Introductory chapter is followed by chapters dealing with "The role and significance of personal income tax in the micro- and macroeconomic aspects", "Economic aspects of progressive and proportional taxation of incomes", "Personal income tax in the tax systems of the European Union member states", and with "Law and economic analysis of elements of personal income taxation technique in European Union states". Character of these four chapters is very close to the literature review completed by author comments and summaries and in some parts by simple partial descriptive analysis.

Conclusions include general summary of topics discussed at previous four chapters. It is very difficult or even impossible to find here answers to hypothesis or some research questions specified at introductory chapter.

From formal point of view should be mentioned especially sometimes missing citations of authors which makes it difficult to identify what is contribution of the author of thesis and what are results of other authors; labels in graphs are sometimes mix of English and Polish; and the fact, that for some descriptive analysis is considered EU-25, while for other EU-27, which is neither explained, nor having a reasoning, because considered time span for the analysis is more or less the same.

During the defence of his thesis, habilitation candidate should express his opinion on following comments or questions:

- In final chapter is concluded, that "From the preceding discussion it should become clear that the current EU tax system constitutes a temporary solution and it is at transitional stage". However from my point of view it is not very obvious from descriptive analysis done. Please could you present the most important factors justifying this statement?
- Also in Conclusions we may find, that „...rent seeking tax migration would lead to increasing the supply of qualified labour in the market of the accepting country while worsening the labour market situation in the country from which a worker has departed...tax harmonization would simplify operations and create a more balanced environment that would reduce the need for mobility oriented on seeking tax benefits..“ However in European Union, where one of the policy objectives is cohesion aimed to reduction of social and economic disparities and for this purpose are redistributed huge amounts of money in form of various supports and subsidies with sometimes limited or even missing meaningfulness, could not be modification of tax system at national level as a factor of mobility of capital and labour force considered as a more market driven alternative to the redistribution function of EU budget? Factor which may contribute to the correction of uneven regional development?
- At what analysis is based conclusion at page no. 270, that "harmonisation of direct taxes is unavoidable?"
- Many conclusions are based on assumption of "further EU integration"...however this integration may have different forms and features. Would not be better to speak about various scenarios depending on the future character of EU?
- From the conclusions are not obvious answers on some research questions, especially whether large differentiation of personal income taxation systems in the European Union countries constitute a threat to the common market, what benefits would be obtained thanks to the harmonization and what costs do we bear as a result of its lack, and what are criteria of rationality of the personal income taxation model in EU.
- The objective of habilitation thesis is to determine whether harmonization of personal income taxation in EU is possible and desirable. EU is economic union, where some member states are also in monetary union, which is not considered as a determinant of the results of the analysis. Do you think that all conclusions are the same for both groups of countries or may be pros and cons respectively benefits and costs of this harmonization different for members of economic union and members of monetary union?

To make a summary I must say, that overall quality of submitted habilitation thesis could be much better. Nevertheless I recommend this thesis for further consideration for scientific board of the faculty.

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