

The Habilitation Thesis Review

Title of habilitation thesis: *Harmonization of Personal Income Taxation Across European Union Member States*

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Name of reviewer: *doc. Ing. Iveta Zentková, CSc.*

The habilitation thesis deals with the topic which is intensively discussed not only among politics, economists and scientists, but also among labour force migrating across the EU countries. Up to now research in this field does not bring effective, desirable and all over the EU acceptable solutions due to more or less different political, economic and social environment in each EU member states.

The habilitation thesis covers 320 pages, provides 13 illustrations, 25 tables and refers 264 bibliography sources including 39 own habilitant`s references. The thesis is divided into 4 chapters (excluding Introduction, Conclusions and Resume-in Slovak language) that are filed up logical and rational ways.

The first chapter which is the most extended part covering 83 pages deals with micro and macroeconomic aspects of personal income taxation, construction of different types of income tax, income taxes as a stability and stimulation factors of public policy, their allocation and distribution functions in fiscal policy with regard to economics growth.

The second part focuses on economic aspects of income taxation using progressive and proporcional methods and discusses tax equity and tax reliefs.habilitation

The third chapter discusses personal income tax in the tax system of the EU member states, concept of pro-family tax system and its implication in Poland.

The fourth chapter is the most empirical part of the habilitation thesis providing mainly economic analysis of the personal income taxation technique elements in EU states.

Comments:

1. First of all I would like mention that the habilitation thesis is elaborated very extended way and it is too descriptive. It was hard work reading the thesis and distinguishing between theoretical part and empirical results of research.

2. The goal of the thesis „to determine whether harmonization of personal income taxation in the EU countries is possible and desirable“ seems to be too ambitious due to its too wide formulating, more focusing goal would help.
3. The research hypothesis such as it is set in the thesis, „there are economic, political and social reasons for harmonizing of income taxation“ I consider more as a research question and there would be difficulties with verifying of hypothesis because the thesis does not deal with political and social assumptions for income taxation harmonizing.
4. There are some methodological discrepancies concerning time and space data comparability (there are used data of heterogeneous time periods and selection of EU countries varies).
5. Very well elaborated literature review that is provided through all over the habilitation thesis I consider as a main contribution of the author to the topic (his own added value) as well as some results of empirical analysis in the third and fourth chapters.
6. There are set 7 research questions in the thesis. I had difficulties to find out the clear answers to these questions (answers might be hidden somewhere in the text).

That's why I would like to ask the habilitant to discuss research results concerning these questions:

1. Does large differentiation of personal income taxation systems in the European Union countries constitute a threat to the common market?
2. Does harmonization of personal income taxation of individuals who do not conduct any business activity make sense?
3. What benefits will we obtain thanks to harmonization of the analyzed taxation form and what costs do we bear as a result of its lack?
4. What and how did various economic and social conditions determine the heterogeneity of personal income taxation in the European Union countries?
5. What sources of similarities can be found in personal income taxation in tax systems of the European Union countries, taking into account the so-called „quiet harmonization“ and the role of the European Court of Justice?
6. How should we formulate the criteria for rationality of the personal income taxation model, from the perspective of equivalence of benefits, neutrality of tax system and minimizing the costs of fiscal process (excess burden)?
7. How should we shape the allocation effectiveness of the tax system and redistribution equity with reference to personal income taxation?

Conclusion

The habilitation thesis provides a lot of information about the topic but does not deal with verifying the research hypothesis as well as does not give answers on research questions set in the habilitation thesis. Nevertheless I recommend the habilitation thesis for further consideration for scientific board of the faculty and after giving answers on my question and successful defence of habilitation thesis I recommend to award to *PhDr. Tomasz Wolowiec, PhD.* scientific-pedagogical title **docent (associate professor)** in the study field 3.3.16 Business Economics and Management.

doc. Ing. Iveta Zentková, CSc.

