

## **Summary of the doctoral dissertation**

**"Tax competition in the European Union in the field of corporate income tax in the conditions of the public finance crisis"**

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In the context of the crisis of public finances, as a consequence of the global financial and economic crisis, which has occurred since 2008, the tax policy of the European Union (EU) and its Member States has also been aimed at slowing down the accumulation of public debt, while striving to accelerate the pace of economic growth. At the same time, countries faced a dilemma: on the one hand, as part of the measures taken to get out of the crisis, the introduction of support programs for entrepreneurs, including those of a tax nature and stimulating economic growth, and on the other hand, the need to combat budget deficits by limiting expenditures and raising taxes and expanding the tax base. It was also important to ensure that tax policy does not result in capital outflows and the relocation of economic activity abroad. The actions taken were primarily aimed at, on the one hand, securing budget revenues, and on the other hand, at sealing the tax system so that the taxes due would flow into state budgets. One of the areas of particular attention during this period was the phenomenon of tax competition in corporate income tax (CIT), and in particular its harmful dimension for the budgets of the Member States.

The main objective of the dissertation was to examine the phenomenon of tax competition in the European Union in the field of corporate income tax (CIT) following the post-2008 public finance crisis, especially in terms of assessing the impact of this crisis on the level of taxation of the income of companies operating in the Member States. The following thesis was put forward in the dissertation: The crisis of public finances occurring after 2008 in the European Union, and in particular in the Eurozone countries, has become a factor limiting the phenomenon of tax competition in the field of taxation of the income of companies operating in the Member States. The need to stop the process of accumulation of public debt has limited the possibilities of reducing taxes, including CIT.

The doctoral dissertation carried out an analysis of the phenomenon of tax competition in the European Union in CIT, taking place before the crisis of public finances (period from 2004 to 2008), as well as in subsequent years (after 2008 to 2020), as well as changes from 2020. The causes of this phenomenon and the mechanisms of its action are characterized. The causes and effects of the public finance crisis in selected European Union countries, in

particular in the euro area, were also analysed. The dissertation was prepared on the basis of economic literature on the subject in Polish and English, as well as legal acts, statistical data, materials and publications of national and international institutions, in particular European Union institutions. The following research methods were used: analysis of available literature on the subject, source materials, including reports, reports, legal acts, program and implementation documents (documentation method), as well as statistical analysis and, if necessary, case analysis.

The above was carried out within five chapters of the doctoral dissertation. The first chapter presents theoretical aspects of the issue of tax competition between states. The second chapter deals with tax policy in the European Union. The third chapter of the dissertation is devoted to the analysis of the phenomenon of tax competition in the European Union in the field of CIT from 2004 to 2008. In the fourth chapter of the dissertation, the crisis of public finances in the Member States of the European Union and the related public debt crisis are considered. The last, fifth chapter characterizes the impact of the public finance crisis on the phenomenon of tax competition in the European Union in the field of CIT after 2008. At the end of the dissertation, the conclusions of the conducted research were presented, including an assessment of the conditions, mechanism, and the current course of the CIT competition phenomenon in the European Union. Factors affecting the development of this phenomenon in the future were also indicated.

To sum up, tax competition in CIT, which benefits the largest economic entities in the world, i.e. international corporations, has become a priority topic for the Member States of the European Union under the influence of the effects of the financial and economic crisis of 2008 and the exposure of the difficult situation in their public finances, debt, growing expenses and the search for sources of income. The observation of CIT trends (tax rates, effective income burdens, share of CIT income in relation to GDP) presented in this paper over the period 2004-2020 does not confirm the conclusions about the downward race of CIT rates, i.e. to zero. Finland, Denmark, Sweden are the examples of the EU Member States which, despite the general trend in reducing corporate income tax rates, decided to maintain the existing tax system with relatively high burdens, while ensuring high-quality public services and high positions in international competitiveness rankings - even if this means some losses to, for example, tax havens. However, the analyses carried out over the years 2004-2020 have shown that despite falling CIT rates and tax competition, and even despite the crisis of 2008, CIT revenues are stable with a decreasing trend, but without negative consequences for the total budget revenues, which show an increasing tendency. Therefore, the question for further analysis is whether tax

competition in CIT is actually a factor that has an impact on the state of public finances and the amount of public debt, and whether the CIT reforms undertaken in 2022 will have a positive impact on public finances of countries, solving systemic problems in these finances and whether they will reduce systemic risks in the EU in the future.