

STANDPOINT

From: Assoc. Prof. Dr. Desislava Vladimirova Yosifova, VUZF, DEPARTMENT OF ACCOUNTING AND AUDIT, Scientific specialty: Accounting, control and analysis of economic activity

Subject: dissertation for obtaining the educational and scientific degree "Doctor" in the field of higher education 3. Social, economic and legal sciences, Professional field 3.8. Economics, Doctoral Program "Accounting, Auditing and Analysis"

Author of the dissertation: Leonardo Tsvetelinov Stoev, *PhD student in self-study form* at the Department of Accounting and Auditing, VUZF

Dissertation topic: “**OPPORTUNITIES TO IMPROVE THE CONTROLS RELATED TO PREVENTION AND DETECTION OF TAX AND SOCIAL INSURANCE FRAUDS**”

Scientific adviser: Prof. Dr. ALI VEYSEL

This Standpoint has been developed in accordance with the requirements of the Law for the Development of the Academic Staff in the Republic of Bulgaria - ZRASRB (promulgated, SN No. 38 of 21.05.2010, as last amended and supplemented, SN No. 17 of 25.02.2020), Regulation for the application of the same law PPZRASRB (promulgated, SN, issue 75 of 24.09.2010, with amended and supplemented SN, issue 15 of 19.02.2019) and of the Regulations for admission and training of doctoral students in VUZF.

1. General description of submitted materials

With order №5 from 21.01.2021. of the Rector of the Higher School of Insurance and Financing Assoc. Prof. Dr. Grigoriy Vazov I have been appointed as a member of the scientific jury for conducting a procedure for defence of the dissertation on the topic “*Opportunities to improve the controls related to prevention and detection of tax and social insurance frauds*” for obtaining the educational and scientific level" doctor ".

The materials submitted by Leonardo Tsvetelinov Stoev for the defence of the dissertation include: 1 pc. dissertation on paper and in PDF format; 1 piece. abstract in Bulgarian on paper and in PDF format; 1 piece. abstract in English on paper and in PDF format;

CV in PDF format; summaries of publications in Bulgarian and English; reference for the best scientific contributions in the dissertation; reference for fulfilment of the minimum requirements for acquisition of "doctor" degree. The doctoral student is accompanied by relevant publications on the topic of the dissertation (*two reports* from international scientific conferences and *one article*).

2. Information about the doctoral student

The doctoral student Leonardo Stoev graduated with a bachelor's degree in Business Economics, University of Economics - Varna. He has completed 2 master's specialties - in 2016 - "Banking and Finance" (MSc Banking and Finance), Queen Mary University of London, UK, with awards for contributions to the university and in 2018 - "Accounting, control and corporate analysis", VUZF.

In 2016 - 2017 is an intern auditor at Ernst & Young Audit OOD - Sofia; from 2017 - 2019 is a finance assistant and junior financial analyst at Experian Bulgaria EOOD - Sofia. From July 2018 to date he is an accounting analyst at Xerox Business Services Bulgaria EOOD - Sofia. He is a member of MENSA Bulgaria.

3. Relevance of the topic and expediency of the set goals and objectives

The topic of the dissertation is emphatically **relevant**, especially given the globalization of European and global markets and, accordingly, the diverse opportunities for flexible tax planning and optimization, incl. attempts for tax fraud and manipulation in the context of the different tax and social security regimes for businesses in different jurisdictions and countries. This circumstance requires the revenue administration in the respective countries, incl. and in Bulgaria, especially in the context of its membership in the EU and its membership in the United tax area, to strengthen and improve control over taxpayers and the tax and social insurance system as a whole.

In the *introduction* of the dissertation the object and the subject of the research, the purpose, the tasks and the approaches for their implementation, as well as the methodology of the research are correctly formulated. The *aim* of the dissertation is: *to study the legal, organizational and methodological problems related to the prevention and detection of tax and social insurance fraud in order to offer guidelines for improving tax and social insurance control in Bulgaria.*

The main research thesis is clearly formulated. Usually, as with any study, there are certain *limitations*, specifically defined by the author.

4. Knowledge of the problem

From the overall presentation of the study, it can be concluded that the doctoral student knows thoroughly enough the researched problems, has studied a significant number of sources, using them correctly, conscientiously and with appropriate creative interpretation in the context of the topic.

5. Research methodology

The research methods used (comparisons, analysis, analogy, induction, deduction, etc.) can be assessed as fully appropriate for achieving the goal and results and leading to adequate answers to the main research questions in the dissertation.

6. Characteristics and evaluation of the dissertation

The presented dissertation is developed in a total volume of 145 pages and consists of an introduction, three chapters, a conclusion and includes 12 tables and 14 figures. The literature used includes 174 sources: 66 sources in Bulgarian, 26 foreign languages (English, German and French, the translation was done independently by the author) and 82 sources from various websites.

Chapter one of the dissertation is devoted to the theoretical characteristics of tax and social security control. The doctoral student successfully presents his author's opinion on the need for tax and social insurance control and its characteristics. An important emphasis at the end of this chapter is placed on the characteristics of tax and insurance fraud, which is at the heart of the overall topic of the study.

In the *second chapter* the research is focused on the characteristics of the tax and social insurance control in Bulgaria. A special assessment deserves the presentation and research of **specific problems** in the field of tax and social insurance control in our country, as well as the formulated conclusions.

In the *third chapter*, the doctoral student focuses on the study and presentation of good practices from countries in Europe, in particular on three countries - Germany, Great Britain and Estonia. Their choice was made in view of the fact that these countries have proven high achievements in terms of tax collection and compulsory social insurance contributions. In this chapter, based on the studied good European practices and achievements, the doctoral student has reached his author's views on the main directions for improving the tax and insurance control in the prevention and detection of tax and insurance fraud in Bulgaria. It can be pointed

out that this chapter of the dissertation deserves the highest positive assessment, as far as it is characterized by emphasized scientific and applied value for the Bulgarian tax and insurance practice and respectively opportunities for improvement of the legislation (laws and regulations of the respective state institutions and organs).

The *conclusion* contains the main results, conclusions and assessments of the doctoral student as a summary of the presentation in the three chapters. These results and conclusions are the basis for deriving the specific achievements and formulating the scientific-applied contributions and contribution moments of the dissertation.

In general, the dissertation is developed in a logical sequence, balance between the individual parts and a very good style. The formulated goal and the set tasks of the research have been achieved.

7. Contributions and significance of the development for the science and practice

The in-depth reading of the work gives grounds to confirm (and in expanded the last part) the main contributions and contribution moments of scientific and scientific-applied nature, derived by the author as follows:

- the main guidelines for the improvement of the tax and social insurance control in Bulgaria in the spheres of the institutional organization (based on the structure of the tax system) and in the field of the normative regulations are defined, which will result in increasing its level of efficiency

- the main problems in the application of the forms of control (such as the need for written rules and methodology in conducting inspections and audits, and the procedures related to them and the limited set of procedures used in carrying out the main forms of control compared to tax audit)

- an in-depth analysis of the damages from the main types of tax fraud committed in the country and the structure of revenues from tax revenues in the state budget has been made, on this basis conclusions have been drawn on the collection of taxes in the country and the main control problems have been identified in the tax-insurance system

- a study of official statistics on the level of tax fraud and tax collection of countries in Europe has been made and, accordingly, three countries with the most effective tax and social insurance systems have been identified

- after an in-depth study of the 3 European countries (represented by Germany, the United Kingdom and Estonia) of their institutional organization of tax and social insurance control, the structure of their tax systems and the forms of control they apply (including anti-

tax and social insurance fraud measures), basic guidelines for improving the tax and insurance control (in the direction of prevention and detection of tax and insurance fraud) in Bulgaria are defined.

The indicated directions of the main achievements in the dissertation work give grounds to be defined as generalization and upgrading of existing knowledge, as well as formulation of specific proposals with a high degree of usefulness for the development of the practice.

8. Evaluation of the publications on the dissertation

The scientific publications on the topic of the dissertation have been published in specialized scientific journals and international scientific forums (two reports at scientific conferences and one article (all three in English) and reflect essential parts and results of the dissertation as follows:

- *two reports* from international scientific conferences - in the *scientific conference* "Education, Law, Business", 2020 in *Madrid, Spain*, on "Institutional organization of tax and social insurance control in Bulgaria" ("Institutional organization of tax and social security control" in Bulgaria"), and in a *scientific conference* in *Steyr, Austria* "Science and innovation", 2020, on the topic "Efficiency of the municipal tax administration in Bulgaria" ("Efficiency of the municipal tax administration in Bulgaria");

- *article* "Forms of tax and social insurance control in Bulgaria", SEPIKE journal 3/2020 ("Forms of tax and social security control in Bulgaria").

9. Assessment of compliance with the minimum national requirements

It is evident from the presented reference that the doctoral student has fulfilled the minimum national requirements for obtaining the educational and scientific degree "Doctor" in the professional field 3.8. Economics (*total 80 points*).

10. Personal participation of the doctoral student

The doctoral student has developed the dissertation independently, and the obtained results and the formulated contributions are his personal author's work. There is also **a lack of plagiarism** in the dissertation.

11. Abstract

The abstract is prepared in accordance with the established requirements, faithfully and correctly following the content of the dissertation and reflects the main results achieved in it.

12. Critical remarks and recommendations

Traditionally, as with most such scientific developments, critical remarks, questions and recommendations can be addressed, but they would not reduce the high overall assessment of the work. Many of them were discussed with the doctoral student and his research supervisor during the development and at the respective stages at the departmental level.

13. Personal impressions

I know the doctoral student and follow his development from an early age. My personal impressions are that he has a serious potential for developing and upgrading his knowledge and skills for work, both in academia and in the real business or public sector.

Conclusion

Based on the above, it can be summarized that *all the requirements* of the Law on the Development of Academic Staff in the Republic of Bulgaria and the Regulations for the Implementation of the Law on the Development of Academic Staff *are met*. The presented materials and dissertation results *fully comply* with the specific requirements of the Regulations for admission and training of doctoral students at the Higher School of Insurance and Finance.

The doctoral student has presented a completed scientific research, which convincingly demonstrates that he can systematize unsolved problems in the specific scientific field, critically interpret the discussed problems and successfully conduct independent scientific research. The dissertation contains scientific, scientific-applied and applied results, which can be assessed as original in theoretical and practical aspect.

In view of all the above, I confidently give my *POSITIVE* assessment of the research (dissertation, abstract, results and contributions) **and propose to the esteemed scientific jury to award the educational and scientific degree “Doctor” to Leonardo Tsvetelinov Stoev** in the field of higher education 3. Social , economic and legal sciences; professional field 3.8. Economics; doctoral program "Accounting, Auditing and Analysis".

18.03.2021

Signature:

(Assoc. Prof. Dr. Desislava Yosifova)