

R E V I E W

by

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regarding dissertation for obtaining scientific degree “Doctor of Sciences”

in field of higher education 3. Social, Economic and Legal sciences

Professional field: 3.8. Economy

Author: Bozena Agnieszka Sowa

**Title: Indirect taxes and its impact on the level and structure of revenues in the State budget.
Analysis on the example of Poland for 2017-2021**

DEAR MEMBERS OF THE SCIENTIFIC JURY,

Grounds for providing this review is Order No. 105 of March 1st, 2023 of the Rector of the Higher School of Insurance and Finance (VUZF) for the conduction of a procedure for the defense of a dissertation thesis for obtaining a scientific degree "Doctor of Sciences" in the field of higher education 3 Social, Economic and Legal sciences, at professional field 3.8. Economy.

The procedure is conducted in accordance to the requirements of the Law on the Development of the Academic Staff in the Republic of Bulgaria and the Rules for its implementation, as well as in accordance to the requirements of the internal rules of the Higher School of Insurance and Finance.

Within the framework of the procedure, to the dissertation paper on the topic "Indirect taxes and its impact on the level and structure of revenues in the State budget. Analysis on the example of Poland for 2017-2021", the author Bozena Sowa, PhD presents documents including CV, an abstract of the dissertation thesis, a list and summary of scientific publications, scientific articles, author's reference for the contributions of the dissertation thesis, reference for implementation of the minimum national requirements for acquiring the scientific degree “Doctor of Sciences”.

- ***BRIEF BIOGRAPHIC INFORMATION AND DATA OF THE CANDIDATE***

The dissertation submitted for review has been developed by Bożena Agnieszka Sowa, PhD. Based on the biographical data submitted within the procedure it is presented that the candidate holds a Master's degree in Economics, in 1997 obtains a scientific degree of "PhD" in the professional field of "Economics". Since 2018 holds the position of "Dean" of the College of Management in Rzeszów, Poland.

Regarding the defending of the dissertation thesis and in aim to ensure publicity of the results and of the contributions obtained within the framework of the development of dissertation, the candidate has submitted and published 28 (twenty-eight) scientific publications.

It is observed that a significant part of the presented scientific publications related to the dissertation are personally set by the author and are not being published in co-authorship.

The articles cover topics scoping to present ratio and distinction of main concepts, as well as analysis of tax issues with a particular emphasis on direct taxes and on the perspective for its further harmonization with the rules of the European Union.

In 2019 the author developed and published a monographic book on the topic of "Economic systems and its development and income inequality in selected post-socialist countries". Within the scope of research on the topic, an analysis on the phenomenon of income inequality in the countries of former Eastern Europe has been performed and presented.

Within the framework of the monographic book, the author investigates and identifies the factors that influence income inequality in post-socialist countries. The results of an empirical study conducted to identify indicators that influence the increase or decrease of income inequality in the country are being presented.

In the scientific work, as part of the dissertation, it has been examined in depth the impact of tax harmonization process on budget revenues in selected EU-25 countries. At the same time a comparative analysis has been presented.

Academic interests and studies provided and presented by the candidate aim at investigating the extent to which Polish indirect taxes are aligned with European Union (EU) legislation, with a particular focus on revenue tax.

Within the framework of the dissertation submitted for review, the author Bożena Sowa, PhD researches the topic of "Indirect taxes and its influence on the level and structure of revenues in the State budget". Within the framework of scientific development, the time period 2017-2021 has been analyzed in details.

The dissertation has been developed in accordance to the legally established requirements.

- ***RELEVANCE OF THE TOPIC AND ADVANCE OF THE GOALS AND TASKS SET***

The State budget has a key role as it can be defined as an instrument without which it is impossible to conduct an economic policy. A characteristic feature relates to the existence of the budget, as it is necessary to fulfill conditions related to both the existence and functioning of the State, as well as to the degree and level of development of the monetary economy.

Within the presented dissertation work, the author supports the thesis that for the existence of the budget, two main conditions must be fulfilled, namely the existence of a State and the existence of a monetary economy.

The formation, realization and implementation of the State budget has a direct connection to the fiscal policy in each country. The budget forecast and perspective in short-term and in the medium-term plan should be tied to set of priority for preserving the stability of public finances. Indeed, in economics and political science, fiscal policy refers to set of decisions and actions by which the government changes the level of spending and taxation to affect the national economy in a country.

Regarding the development and presentation of the dissertation, the thesis supported by the author states that every State grounds its functioning on political, economic, internal, external, material and non-material activities. Emphasis is put on the fact that the tax system in a prosperous States links to the level and ability of direct expenses cover.

The topic of "Indirect taxes and its influence on the level and structure of revenues in the State budget" is quite relevant and significant, as within the framework of the development of the dissertation theses, the author correctly and accurately formulated as a main goal, the assessment of the level of the structure and the dynamics of budget revenues by indirect taxes.

The goal set in the framework of the dissertation has been achieved through the implementation of specific tasks formulated, namely:

- review of scientific achievements and determinants of the tax fiscal efficiency
- identification of the causes, scope and progress of the harmonization of indirect taxes
with a special emphasis on VAT

- determination of indicators of fiscal efficiency of indirect taxes
- determining the difference in VAT.

For the purposes of the scientific research, the author formulates three research hypotheses, specifically:

hypothesis 1 - The harmonization of legal norms in the field of indirect taxes in the European Union (especially VAT and revenue tax) contributes to the fiscal efficiency of these taxes;

hypothesis 2 - The structure of taxes is a major factor in determining its fiscal efficiency;

hypothesis 3 - The specificity of indirect taxes and the non-fiscal functions performed (especially with regard to revenue tax) have an impact on its fiscal efficiency.

With the scientific hypotheses formulated, the author examines and presents the characteristics of the tax, its structural elements, functions, as well as its classification, while at the same time examines the modern tax system in Poland, taking into consideration the sources of applicable international and national tax legislation.

It is important to note that, basically fiscal and monetary policy are used together to provide the achievement of national economic objectives.

Tax policy is characterized by predictability, while encouraging business development and investment activities maintaining low tax rates for direct taxes, broad tax ground and tax preferences. An important role in achieving the objectives of tax policy, as well as increasing the tax revenues, insurance contributions and fees, provides increase in the efficiency.

- ***CHARACTERISTICS AND EVALUATION OF THE DISSERTATION AND RESEARCH METHODOLOGY***

The dissertation contents of 396 pages, structurally consists an introductory part, 7 (seven) separate chapters, conclusions, contributions and bibliographic reference sources.

The bibliography consists of a total of 504 sources, including monographic books, scientific articles and legislative acts. Plural range of titles and sources is included.

Within the reference sources of the dissertation, national and international normative legal acts are included, as well as scientific and literature sources could be outlined.

The methods used within the dissertation work have been precisely selected and properly used. Research methods supplements one another, allowing the information to be evaluated in various ways.

Within the framework of the dissertation, an analysis of the mechanisms for regulation and application of tax legislation have been developed, both in the Republic of Poland and within the European Union.

Attention has been focused to principles of different kind regarding performance of specific activities on establishing and collecting taxes by the revenue administration and public State bodies.

The dissertation in depth and thoroughly draws attention to the importance, role and meaning of individual taxes, specifically in the context of tax base and tax rates for products revenue. It outlines the importance of these elements, as factor in causal research and in relation to realization of descriptive-statistical analysis of the structure and dynamics of revenue activity on public bodies.

The specific norms in the national legislation are being analyzed and presented, based on the implementation of tax policy in the Republic of Poland.

The goal set by the author of the dissertation paper has been achieved by the performance of precise and specific tasks, comprehensively formulated in the dissertation. Based on main tasks of assessing the level of structure and dynamics of budget revenues from indirect taxes, the candidate has formulated important conclusions. Identification of national, regional and international problems referring to the regulation of budget activities and tax processes, with focus to the establishment of essential characteristics of indirect taxes affecting the revenue of the budget.

The research methods provided within the in dissertation includes analysis and synthesis, analogy, systematic methods of research, as well as dialectical methods.

- ***EVALUATION AND CHARACTERISTICS OF THE ABSTRACT TO THE DISSERTATION***

A 50-page abstract has been submitted and presented along to the dissertation. It includes general characteristics, structure and content reference to the dissertation. The brief abstract presents the dissertation focusing mainly on the results and conclusions obtained.

My overall assessment to the abstract of the dissertation shows that it contains the ground aspects of the paper and presents the main findings and key points of the dissertation with the necessary clarity.

- ***CONTRIBUTION AND SIGNIFICANCE OF THE DISSERTATION ON SCIENTIFIC AND PRACTICAL GROUNDS***

The presented dissertation covers the topic of "Indirect taxes and its influence on the level and structure of revenues in the State budget. Analysis on the example of Poland for 2017-2021" and represents a comprehensive scientific work dedicated to significant aspects of public issues arising in the field of taxation and financial-administrative regulation of activities relevant to raising funds and revenues in the State budget. Substantial emphasis is provided on indirect taxes, its importance and influence on the level and structure of revenues in the State budget.

The dissertation analyzes socially significant financial, economic and legal aspects of regulation of the budget processes and the main relationship of indirect taxes to the general State tax and budget policy.

In relation to the requirement of measures taking and actions contributing to ensuring and guarantee the stability and security of the budget and the economic activities in general, it is of essential importance control measures to be provided by public and state authorities. It is also important the determinacy of a framework for preventing and control an excessive State budget deficit.

Based on the overall assessment and analysis of the dissertation work submitted within the procedure, specific scientific and theoretical contributions have been provided, as well as conclusion of practical importance.

When analyzing and developing the researched paper, the author identifies significant challenges related to the public authority, when implementing tax policy in the Republic of Poland. Within the framework of the dissertation, changes and modifications in the implementation of fiscal activities in implementation of tax policy in the Republic of Poland over the years have been observed and analyzed. An attempt has been made by the author to examine the topic on the extend of tax system introduction over the years in the Republic of Poland contributing to the increase in budget revenues, providing significance and contribution within this issue.

The presented research and the results formulated based on the extensive analysis are of a contributing nature regarding the overall process of harmonisation of the legislation in the Republic of Poland. It specifically focuses on the framework related to indirect taxes in line with the concept of a common market.

The author argues the thesis on tax issues and fiscal policy in a main context, related to great interest to the legislative measures of the State in this area as one of the determining factors of State independence.

A particular added value within the framework of the dissertation, provides the specific results outlined by the author based on a study conducted related to actions of the Polish government aiming at changing the tax system, increasing real tax revenues, especially in the context of VAT.

A comparative analysis performed within the framework of the scientific research on the topic, directly related to the "plan - implementation" aspect of budget revenues, as presented, based on analysis, reasons for the differences in the implementation of VAT revenues are highlighted. The relevance and interdependence of results as factors of the economic, social and health environment, including a period of high risk for public health in result the spread of the COVID-19 pandemic, have been submitted.

The evaluation of the budget revenue from gambling, developed and presented within the framework of the dissertation is of a contributing nature.

- ***ASSESSMENT OF FULFILLMENT THE MINIMUM NATIONAL REQUIREMENTS***

From the documents presented within the procedure, it is evident that the scientific work provided by candidate on the conduction of the dissertation paper and the scientific production presented are in accordance with the criteria and the minimum national requirements for obtaining a scientific degree "Doctor of Sciences" in the field of higher education 3. Social, Economic and Legal sciences, professional field 3.8. Economy.

- ***NOTES AND RECOMMENDATIONS***

I recommend to the candidate, in regards to the importance and relevance of the research topic within the dissertation, to expand the scope of examination in future research activities. Studying, analyzing and presenting practical benefits of the implementation of adequate administrative, legal and economic mechanisms for prevention and avoiding tax

payments by the relevant tax payers. This aspect of research would further expand and enrich the analysis of the thesis formulated in the dissertation, related to the conclusion that taxes are one of the main sources of revenue for the State budget and local government.

CONCLUSION

In regards to the fulfillment of all legally based requirements on the development and defence of a dissertation for obtaining a scientific degree "Doctor of Sciences" in accordance to the requirements of the Law on the Development of the Academic Staff in the Republic of Bulgaria and the Rules for its implementation. Considering the overall assessment of the formulated contributions in the dissertation presented, **I provide a positive assessment on the dissertation and propose to the honourable members of the scientific jury to vote for the obtaining of a scientific degree "Doctor of Sciences" by Bozena Agnieszka Sowa, PhD** in the field of higher education 3. Social, Economic and Legal sciences, Professional field 3. 8. Economics.

10.04.2023

Reviewer:

signature

Prof. Mariela Deliverska, LLM, PhD, DSc.