

REPORT ON THE MASTER THESIS

IEPS – International Economic and Political Studies, Faculty of Social Sciences, Charles University

Title of the thesis:	Feasibility analysis of local taxation of cross-regional companies in selected industries in China
Author of the thesis:	Yuanpeng Wang
Referee (incl. titles):	Ing. Jan Bejtkovský, Ph.D.

Comments of the referee on the thesis highlights and shortcomings (following the 5 numbered aspects of your assessment indicated below).

1) Theoretical background:

The author has chosen a very unusual and up-to-date topic for the master thesis. The research aim is stated as follows (p.4): *“I would like to propose a public policy that some business activities in China should pay a part of the tax in the region where the user is located, instead of just giving the tax to the city where the company is located.”*

I analyze the feasibility of adopting the above-mentioned form of Internet taxation at the local level in China. Theoretical support for the imposition of an Internet tax is obtained by studying the international theory of Internet user value and related practices. By measuring data on certain Internet business models in China, I quantitatively estimate the value of tax loss and also determine the necessity of Internet tax collection. Next, by using meta-analysis analysis, I conclude that it is a good approach to levy Internet tax at the local level. Finally, I clarify the target of the tax and the possible ways of taxation. I hope that my paper can provide some theoretical support for the future of Internet taxation at local level in China.”

This represents brief, but clearly defined and logical structure of the thesis that corresponds with the chapters discussed later in the thesis.

The chosen field is very specific and dynamic, meaning that there is no universally accepted theoretical background for online taxation (as per page 16: it is not clear whether it is direct or indirect taxation). However, the thesis provides basic introduction into the field and the author demonstrates good understanding of related literature and sources. The author also points out the crucial challenges in online taxation, with real-life examples.

2) Contribution:

The topic has not been thoroughly researched in Czech academia, especially in relation to Chinese approaches towards internet taxation. Therefore, the thesis represents a valid addition to research.

3) Methods:

The author defines the structure of the thesis relatively clearly and logically. Subsequently, the thesis follows this logical structure from general towards specific.

However, the author sometimes tends to come to conclusions without sufficient argumentation to support these (p. 28): *“In my opinion, cities that develop first and to a certain extent have a bad effect on cities that develop later, and legal systems should be established to protect the welfare of citizens in cities*

that develop later.“ While the author states that this is personal opinion, no arguments to support this claim are listed.

The model and related methodology appear to be consistent and logical.

4) Literature:

The literature is indicated at the end of the thesis is abundant but used somewhat arbitrarily in the course of the thesis.

5) Manuscript form:

The form of the manuscript generally meets that requirement for master thesis.

Box for the thesis supervisor only. Please characterize the progress in the working out of thesis (e.g. steady and gradual versus discontinuous and abrupt) and the level (intensity) of communication/cooperation with the author:

...

Suggested questions for the defence are:

- 1) Which online taxation method would be the most suitable for the Czech Republic?
- 2) What are the factors that encourage international cooperation in online taxation and what are the factors that discourage it?

SUMMARY OF POINTS AWARDED (for details, see below):

CATEGORY	POINTS
<i>Theoretical background (max. 20)</i>	14
<i>Contribution (max. 20)</i>	18
<i>Methods (max. 20)</i>	15
<i>Literature (max. 20)</i>	15
<i>Manuscript form (max. 20)</i>	13
TOTAL POINTS (max. 100)	75
The proposed grade (A-B-C-D-E-F)	C

DATE OF EVALUATION: .02.09.2021

Referee Signature

Overall grading scheme at FSV UK:

TOTAL POINTS	GRADE	Level of performance
91 – 100	A	= outstanding (high honour)
81 – 90	B	= superior (honour)
71 – 80	C	= good
61 – 70	D	= satisfactory
51 – 60	E	= low pass
50 – 0	F	= failure. Thesis is then not recommended for defence.