

Report on Bachelor / Master Thesis

Institute of Economic Studies, Faculty of Social Sciences, Charles University

Student:	Bc. Ivana Krouparová
Advisor:	Prof. Petr Janský, Ph.D.
Title of the thesis:	Corporate Taxation and Profit Shifting: Sectoral Differences and the Influence of Intangible Assets among European Multinationals

OVERALL ASSESSMENT

Contribution

Ivana Krouparová wrote an excellent thesis, in which she studies corporate taxation and profit shifting of European multinationals and focuses on sectoral differences and the influence of intangible assets. She applies the state-of-the-art methods in the profit shifting literature and applies them to one of the most suitable datasets, the Orbis data base of over 125,000 European multinational subsidiaries. Her approach in general is thus in line with the leading scholarship published in respected journals in public economics.

Her findings have the potential to contribute to the quickly expanding literature on the corporate tax avoidance by multinationals and on the role of intangible assets. Although she has not found evidence sufficient to conclude that multinationals increases profits by shifting intangible assets to lower-tax jurisdictions, she provides several novel findings. Overall, the thesis displays a great deal of dedication and learning by Ivana.

Methods

Ivana did as well as she could data-wise and, to a large extent, methodologically. There are several areas of the methodology that are open to discussion, the choice of specific econometric approaches or the choice of variables, such as when Ivana choses a relatively ad hoc split classification into three groups of sectors.

Ivana used one of the most suitable data sets available, which has been used many times in research published in leading academic journals: the proprietary firm-level data set Orbis with 125,000 European MNE subsidiaries.

Literature

Ivana has done a very good job of understanding and presenting the relevant literature.

Ivana is less clear about the contribution of her thesis to the existing literature. For example, Ivana suitably cites several papers such as Barrios & d'Andria (2020) that studied sectoral heterogeneity in profit shifting, but is less explicit in her thesis about how and why she differs methodologically from some of these specific papers and what are the differences in the findings and their implications.

The results of the Urkund analysis do not indicate significant text similarity with other available sources.

Manuscript form

The thesis is written in appropriate English and the formatting of the text is adequate for a thesis.

Suggested questions for the committee

Could you compare your thesis with the paper by Barrios & d'Andria (2020), or some other relevant paper or papers, which studied sectoral heterogeneity with regard to how and why your approach differs methodologically and what are the differences in the findings and their implications?

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Would it be possible to implement your empirical strategy using a continuous measure of technological development across sectors rather than dividing the sectors into three groups?

Summary

In short, the thesis fulfils the requirements for a master thesis at IES, Faculty of Social Sciences, Charles University, and, in my view, Ivana Krouparová did an excellent job of writing a thesis and I recommend a **grade of A**. Moreover, due to its quality, I recommend his thesis for a distinction and other awards.

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

CATEGORY	POINTS
<i>Contribution</i> (max. 30 points)	30
<i>Methods</i> (max. 30 points)	25
<i>Literature</i> (max. 20 points)	17
<i>Manuscript Form</i> (max. 20 points)	20
TOTAL POINTS (max. 100 points)	92
GRADE (A – B – C – D – E – F)	A

NAME OF THE REFEREE:

DATE OF EVALUATION:

Digitally signed (29. 8. 2023)
Petr Janský

Referee Signature

EXPLANATION OF CATEGORIES AND SCALE:

CONTRIBUTION: *The author presents original ideas on the topic demonstrating critical thinking and ability to draw conclusions based on the knowledge of relevant theory and empirics. There is a distinct value added of the thesis.*

METHODS: *The tools used are relevant to the research question being investigated, and adequate to the author's level of studies. The thesis topic is comprehensively analyzed.*

LITERATURE REVIEW: *The thesis demonstrates author's full understanding and command of recent literature. The author quotes relevant literature in a proper way.*

MANUSCRIPT FORM: *The thesis is well structured. The student uses appropriate language and style, including academic format for graphs and tables. The text effectively refers to graphs and tables and disposes with a complete bibliography.*

Overall grading:

TOTAL	GRADE
91 – 100	A
81 - 90	B
71 - 80	C
61 – 70	D
51 – 60	E
0 – 50	F