

Seminar in **International (Business) Taxation**

Winter 2023/24

As trade obstacles are gradually removed as the global economy matures, more businesses are expanding internationally. While both tax and non-tax factors affect investment activities, and consequently the economic dynamics across countries, taxation and tax policy is largely considered as a crucial driver of international cross-border activities. The seminar is conceived as a deliberation about international taxation issues. In an interactive discussion of empirical and theoretical research studies, it aims to give an interdisciplinary grounding in taxation with topics in the background context of public economics, international economics, development economics, political economy, and international tax law.

The seminar focuses on tax policy and international taxation issues, with an emphasis on MNEs' activities and the tax implications of these activities. It addresses numerous themes in between, with a variety of topics ranging from the discussion of corporate taxation to tax challenges occurring as a result of the digitalization of the economy. The seminar addresses several questions:

- Is there a casual relation between tax policy and investments?
- What are the implications of international profit shifting?
- Do tax incentives attract more income or more innovation?
- Are the anti-avoidance rules effective in tackling international tax avoidance?
- Do governments behave strategically when setting corporate tax rate and tax bases in the light of tax competition?
- What drives individuals and businesses' tax compliance?
- Do different tax burdens across EU countries raise doubts about the integrated EU market?
- Why do countries sign tax treaties and what are the expectations in terms of FDI?
- Is tax policy effective in tackling income inequality?
- Is there a relation between the political system and tax behavior of individuals and firms?
- How to address from a taxation point of view the challenges of digital economy?

Using both mandatory and suggested scientific literature, which has been decided upon for each topic's discussion, will help to address each of the international taxation questions. The literature resembles a mix of theoretical and empirical research effort, which the participants will analyze in a critical and analytical approach.

The participants' ability to think analytically is the ultimate goal, even though learning about the most significant issues and themes in international taxes remains the primary objective. To accomplish this primary objective, each session will be preceded by a 30-minute lecture on the subject, with the goal of giving an instructive backdrop. The participants must not only be able to understand and discuss the topics, but also to write about and debate each subject critically.

The final purpose of the seminar is to spark new scientific inquiry and identify areas that require further research contribution in international (business) taxation.

Topics

- 1. Corporation tax and Investment activities**
 - 1.1. Corporation tax
 - 1.2. Corporation tax and Foreign direct investment
- 2. Corporation tax and Innovation**
 - 2.1. Taxation and Innovation
 - 2.2. Tax incentives and real research activity
- 3. Fiscal Competition**
 - 3.1. Tax rate and tax base competition
 - 3.2. Corporate tax competition
- 4. International Profit Shifting**
 - 4.1. International profit shifting within multinational enterprises (MNEs)
 - 4.2. IP-based profit shifting
- 5. Countermeasures to tackle international profit-shifting**
 - 5.1. Anti-avoidance rules against international tax planning
 - 5.2. Controlled Foreign Corporation (CFC) rules against international profit-shifting
- 6. Indirect taxation: Tax incidence and Tax harmonization in the EU**
 - 6.1. Estimating tax incidence: The European cigarette industry
 - 6.2. Estimating tax burden and its redistributive effect: Household energy consumption in the EU
- 7. Double tax treaties (DTTs)**
 - 7.1. Double tax treaties' effects on foreign investments
 - 7.2. On the relevance of tax treaties: inside the treaty heterogeneity content
- 8. Double tax treaties between countries with asymmetric investment flows**
 - 8.1. Asymmetric DTTs and foreign direct investments to developing countries
 - 8.2. Analysis of asymmetric tax treaties and their effect on FDI
- 9. Tax morality and (Corporate) Tax Compliance**
 - 9.1. Tax morale in individuals and businesses
 - 9.2. Corporate tax compliance
- 10. Income inequality and Tax policy**
 - 10.1. Progressive taxation and income inequality
 - 10.2. Redistributive policies and inequality in OECD countries
- 11. Taxation and Democracy**
 - 11.1. Democracy and progressive taxation
 - 11.2. Democracy and tax avoidance
- 12. Digitalization and Tax challenges**
 - 12.1. Consumption taxes and tax planning in the digital services sector
 - 12.2. Investors' reaction to taxes on the digital economy

Structure

The seminar includes 12 sessions distributed between November 17, 2023 and February 17, 2024. Each of the 12 sessions lasts 180 minutes and will be divided into 2 sub-sessions with 90 minutes each and with a 15-minute break in between.

In addition, an introductory online session explaining the structure, the topics, and the assessment criteria, will be held on **October 27, at 12 p.m.** Please, join the introductory session using the following meeting details:

Join from the meeting link

<https://pranverashehaj.my.webex.com/pranverashehaj.my/j.php?MTID=m93ec778dc88fec86ba258947bffcd10>

Join by meeting number

Meeting number (access code): 2744 907 5115

Meeting password: cPrnSjP3k39 (27767573 from phones and video systems)

Registration

Each candidate should choose the topic for presentation and consequently for the seminar paper (and research proposal) by **November 6, 2023**. Rule for topic choice: *First come, first served*. Registered participants will find an Excel sheet with all the topics where they can choose the topic, they are interested to work on by writing down: Name, Surname, Student ID, and Course of study, in the corresponding line.

Literature

Mandatory literature will be made available on *Blackboard* to registered seminar participants before the start of the seminar and in a reasonable time for presentation preparation. Additional background/suggested literature will be introduced in the seminar and provided to seminar participants.

Attendance Requirement

100% participation is the primary criteria for further grading of the seminar paper (and research proposal). See *Grading* section.

Grading

Grading is based on several elements and structured differently for Master level candidates and PhD candidates:

Master level candidates

1. Submission of the Seminar Paper (45 points).
 - o Each candidate has to submit a single authored seminar paper between 8 - 10 pages. The seminar draft has to be submitted two days prior to the presentation in electronic form and will be subject to review. After the presentation the paper can be improved based on comments and suggestions collected in the revision and during the presentation.
- Final submission for all papers is **February 26, 2024**.

2. Presentation of the seminar paper (35 points).
Each candidate will be assessed for the presentation of his/her seminar paper.
Time assigned for the presentation: 60 minutes.
3. Course participation (20 points)
Active preparation and active participation are required.

PhD candidates

1. Submission of the Seminar Paper and of the Research Proposal (55 points).
 - Each candidate should submit a single authored Seminar paper between 8 - 10 pages. The seminar draft has to be submitted two days prior to the presentation in electronic form and will be subject to review. After the presentation the paper can be improved based on comments and suggestions collected both in the revision and during the presentation.
Final submission for all papers is **February 26, 2024**.
 - In addition, each candidate has to submit a Research Proposal which will not be the subject of presentation during the seminar sessions. A first draft of the research proposal should be submitted by **February 16, 2024**. Once revised, candidates can improve the research proposal and submit the final version by **March 8, 2024**.
2. Presentation of the seminar paper (25 points).
Each candidate will be assessed for the presentation of his/her seminar paper.
Time assigned for the presentation: 60 minutes.
3. Course participation (20 points)
Active preparation and active participation are required, which requires regular participation.

Office hours: Wednesday, 10 a.m. - 12:30 p.m. In advance, booking an appointment at pranvera.shehajo4@gmail.com is required.

Schedule

	Date	Day	Duration	Session Title	Room
	27.10.2023	Friday	12:00 - 13:15	Introductory session (online) at: https://pranverashehaj.my.webex.com/pranverashehaj.my/j.php?MTID=m93ec778dc88fec86ba258947bffcd10	online
Corporation Tax and Investment activities					
1.1	17.11.2023	Friday	12:00 - 15:15	Corporation Tax	HS 108
1.2	17.11.2023	Friday	12:00 - 15:15	Corporation Tax and FDI	HS 108
Corporation Tax and Innovation					
2.1	24.11.2023	Friday	12:00 - 15:15	Taxation and Innovation	HS 108
2.2	24.11.2023	Friday	12:00 - 15:15	Tax incentives and real research activity	HS 108
Fiscal competition					
3.1	01.12.2023	Friday	12:00 - 15:15	Tax rate and tax base competition	HS 108
3.2	01.12.2023	Friday	12:00 - 15:15	Corporate tax competition	HS 108
International profit-shifting					
4.1	08.12.2023	Friday	12:00 - 15:15	International profit-shifting within MNEs	HS 108
4.2	08.12.2023	Friday	12:00 - 15:15	IP-based profit shifting	HS 108
Countermeasures to tackle international profit-shifting					
5.1	15.12.2023	Friday	12:00 - 15:15	Anti-avoidance rules	HS 108
5.2	15.12.2023	Friday	12:00 - 15:15	Controlled Foreign Corporation (CFC) rules	HS 108
Indirect Taxation: Tax incidence and Tax harmonization in the EU					
6.1	22.12.2024	Friday	12:00 - 15:15	Estimating tax incidence	HS 108
6.2	22.12.2024	Friday	12:00 - 15:15	Estimating tax burden and its redistributive effect	HS 108
Double tax treaties (DTTs)					
7.1	12.01.2024	Friday	12:00 - 15:15	Double tax treaties' effect on foreign investments	HS 108
7.2	12.01.2024	Friday	12:00 - 15:15	On the relevance of tax treaty content	HS 108
Double tax treaties between countries with asymmetric investment flows					
8.1	19.01.2024	Friday	12:00 - 15:15	Asymmetric DTTs and FDI to developing countries	HS 108
8.2	19.01.2024	Friday	12:00 - 15:15	Analysis of asymmetric DTTs and their effect on FDI	HS 108

Tax morality and (Corporate) Tax compliance					
9.1	26.01.2024	Friday	12:00 - 15:15	Tax morale in individuals and businesses	HS 108
9.2	26.01.2024	Friday	12:00 - 15:15	Corporate tax compliance	HS 108
Income inequality and tax policy					
10.1	02.02.2024	Friday	12:00 - 15:15	Progressive taxation and income inequality	HS 108
10.2	02.02.2024	Friday	12:00 - 15:15	Redistributive policies and inequality in OECD countries	HS 108
Taxation and Democracy					
11.1	09.02.2024	Friday	12:00 - 15:15	Democracy and progressive taxation	HS 108
11.2	09.02.2024	Friday	12:00 - 15:15	Democracy and tax avoidance	HS 108
Digitalization and tax challenges					
12.1	16.02.2024	Friday	12:00 - 15:15	Consumption taxes and tax planning in digital services sector	HS 108
12.2	16.02.2024	Friday	12:00 - 15:15	Investors' reaction to taxes in the digital economy	HS 108