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Scientific field - code 05.02.05

## STATEMENT

on dissertation by Nikolay Kirilov Kalistratov

on the topic

### **"THE INFLUENCE OF THE SHADOW ECONOMY ON THE TAX REVENUES IN BULGARIA"**

for the award of the educational and scientific degree "doctor" in the doctoral programme

"Finance, Money Circulation, Credit and Insurance"  
code 05.02.05.

#### **I. General description of the dissertation:**

The author has defined the object and subject of his research as follows:

*"The object of research can be formulated as follows: the tax revenues in the Republic of Bulgaria.*

**The subject** of the present study is the relationship and the dependence of the tax revenues on the shadow economy. "

The dissertation has a standard structure - an introduction, three chapters and a conclusion in total volume of 191 pages. The first chapter presents the theoretical dimensions of the tax system, business climate, "shadow economy" and tax evasion. Chapter two outlines and analyses the methods and approaches for investigating the dimensions and extent of the shadow economy. Chapter three provides an empirical research of the attitude businesses and citizens have towards the shadow economy and tax evasion.

In the bibliography, the author has referenced 140 titles.

There are 41 figures in the main text.

## II. Assessment of the form and content of the dissertation:

### 1. Relevance of the dissertation

The author states that “...*The topic of the impact of the shadow economy on tax revenues in Bulgaria is of utmost relevance, especially in the context of fiscal policy and management. The shadow economy, often described as "gray," "shadowy," "unregistered," or "informal" economy, refers to that part of economic activity that evades regulations and taxation. This phenomenon is associated with significant revenue losses for the state, which raises questions about the effectiveness of the tax system and the state's ability to finance public goods and services.*“

The author raises an interesting **research thesis that** “...*taxation, corruption, excessive regulations, and ineffective governance are pivotal factors driving the development of the shadow economy as a complex socio-economic phenomenon. Considering the shadow economy as a global issue with profound historical roots implies the need for a more in-depth study of its causes, dimensions, and impacts in order to formulate effective policies to mitigate its negative effects on society.* ”

To prove his thesis, the author formulates the following main tasks:

- To review, analyse, and systematise prior scientific research on the subject of the dissertation;
- To develop a theoretical framework, which includes a historical overview of the tax system in Bulgaria, identification of the positive and the negative characteristics of progressive and flat taxes, and their impact on businesses;
- To examine the business climate in Bulgaria, including opportunities for doing business, methods of financing and taxation, and tax reliefs for various socially beneficial activities;
- To analyse the dimensions of the shadow economy itself, studying the development of the phenomenon and the conditions for its existence;
- To review and compare empirical methods for determining the dimensions of the shadow economy, including studying contemporary international trends and specific methods applied in Bulgaria for assessing the phenomenon, as well as the results thereof.

The tasks are logically well connected. The author's ideas are clearly presented and well argued.

2. The issues studied have been developed correctly and in their completeness, as far as this is of course possible for a real scope of the shadow economy.
3. The scientific, linguistic and stylistic editing of the work are good. The author's expression is precise and clear.

4. The abstract fully reflects the research done and meets the requirements.

### **III. Scientific and applied contributions:**

In the reference to SCIENTIFIC AND APPLIED CONTRIBUTIONS IN THE DISSERTATION, a total of six contributions are listed, which definitely contain new scientific ideas and, in my opinion, are significant for the analysis of the shadow economy.

The author has published his ideas in one study and two papers, which shows that these ideas and proposals have already found resonance and recognition in the specialized scientific literature

### **IV. Critical remarks, questions and recommendations on the dissertation**

In the conclusion, the author states “...*Considering the shadow economy as a global issue with profound historical roots implies the need for a more in-depth study of its causes, dimensions, and impacts in order to formulate effective policies to mitigate its negative effects on society.*”

How do you envision “*more in-depth study*”?

### **V. Conclusion**

In conclusion, I believe that the dissertation submitted for defense meets the requirements of the Law for development of the academic staff in the Republic of Bulgaria and proves **Nikolay Kirilov Kalistratov** possesses the ability to formulate and research a topical scientific problem, as well as to derive theoretical and applied contributions significant for financial theory and practice. Taking into account the undeniable contributions of the scientific work I give a positive assessment of the dissertation and propose to the *Honorable Scientific Jury to award the scientific and educational degree of “Doctor”*. to **Nikolay Kirilov Kalistratov**.

Reviewer: .....

(prof. dr. T. Nedev)