15 December 2024

Review of the PhD dissertation by Saule Duyssembina titled

"Analysis of the Relation between the Book-Tax Differences and Firm Performance Indicators: Conceptual Foundations and Implementation Prospects"

submitted to fulfill requirements for PhD degree

Thesis Relevance

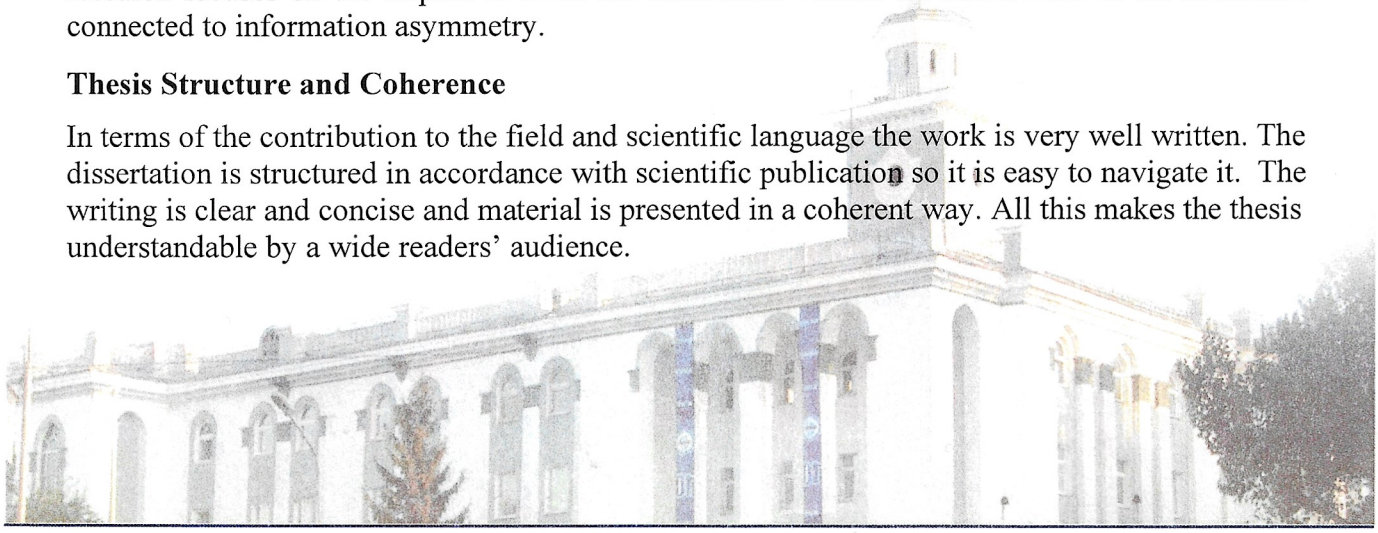
The tax avoidance issue has been of significant interest in regard to firms' tax policies in all countries around the world. For emerging markets the issue of tax avoidance becomes more pronounced since the high levels of corruption and the perception of the tax system being unfair influence the firms choices of reporting their income. Moreover, the tax avoidance implications vary across nations due to the differences in their institutional quality. In this context, Russia and Kazakhstan present interesting cases to study tax avoidance and its implications for a firm's market value and its performance. Russia practices strong tax administration policy while the development of tax administration and tax enforcement in Kazakhstan is an ongoing process. Thus, examining the implications of tax avoidance in Russia and Kazakhstan to their economy is of high interest to both practitioners and researchers.

Thesis Novelty

The present research adds knowledge on firms' tax and dividend payout policies by examining the moderating effect of dividend payout policy on the nexus between book-tax differences and market value of a firm. This view on tax avoidance is relatively new to accounting literature. Additionally, this study contributes to the knowledge of tax avoidance connected to earnings quality by exploring how the components of book-tax differences are related to a firm's market value. By separating the book-tax differences associated with discretionary accruals, the current research focuses on the impact of book-tax differences within the framework of tax avoidance connected to information asymmetry.

Thesis Structure and Coherence

In terms of the contribution to the field and scientific language the work is very well written. The dissertation is structured in accordance with scientific publication so it is easy to navigate it. The writing is clear and concise and material is presented in a coherent way. All this makes the thesis understandable by a wide readers' audience.



Thesis Key Findings

The research findings are analytical and follow the logic of theoretical framework. The results of the dissertation demonstrate the effect of book-tax differences on the firms' market value in emerging markets. Additionally, the results of the dissertation reveal the moderating effect of dividend payout policy on the nexus between the book- tax difference and the firm's market value or its performance. The results are presented clearly and are supported by robust statistical analysis. The methodology is well-designed and rigorous, using a proper regression analysis to handle panel data.

Overall, the dissertation has valuable practical implications, moreover, this dissertation opens up the venue for further research studies on the relationship between firms' book-tax difference, dividends policy and firm's value.

Dissertation work of Saule Duyssembina titled "**Analysis of the Relation between the Book-Tax Differences and Firm Performance Indicators: Conceptual Foundations and Implementation Prospects**" submitted to fulfill requirements for PhD degree is a completed research work. In my opinion, Saule Duyssembina is an established researcher and deserves the awarding her a Doctor of Philosophy degree.

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