

## Finance and Taxes

### 2. degree, master study

#### Topics of questions for the State examinations

1. Private and public solutions to externalities.
2. Tax efficiency from the perspective of policy makers and the taxpayer - a behavioural approach.
3. Information asymmetry and the role of public governments in addressing it. Moral hazard.
4. Behavioural welfare economics.
5. Financial analysis, financial statements and their interconnectedness. Financial performance of a business entity. Indicators of financial position/performance of a business entity, their interpretation and their use.
6. Dividend policy models of a business entity and their practical aspects. Mergers and acquisitions and their financial settlement.
7. Capital costs of a business entity, their determination and significance. Approaches to optimising the capital structure of a business entity and their significance.
8. Determinants of the value of a business entity. Objective, objectified, subjective, market value of an enterprise. Methods of enterprise valuation and their use.
9. Rules of decision making on investment opportunities under uncertainty and risk. Expected utility, expected return, measurement of risk. Capital asset pricing model (CAPM).
10. Portfolio theory and its importance in investment decision making. The essence of portfolio diversification. Markowitz model. Sharpe's model.
11. Progressivity of taxation in relation to tax efficiency and tax collection.
12. Fairness in taxation, the two best known principles of fairness in taxation and the essence of the principles of fair taxation.
13. The tax system, tax reforms and tax policy in theory and in practice.
14. Importance of economic experiments, objectives of economic experiments, three basic types of economic experiments, their strengths and weaknesses, tax compliance experiments - designs and findings. The difference between correlation and causation and examples from economics and finance. The importance of experimentation in business, for scientific purposes and in everyday life.
15. Modelling firm failure, univariate and multivariate analysis, linear probability model and logit model, evaluation of discriminatory power and predictive accuracy of classification models.

### **State Examination Process**

Each section includes theoretical background, analytical evaluation and methodology, synthetic evaluation, comprehensive evaluation of the problem and proposals for solutions. The student should be able to make use of the knowledge acquired in the fields of business finance, risk and uncertainty in finance, behavioural public finance, tax theory and policy, as well as the potential use of experimental economics and econometrics in finance analysis and forecasting.

**Students will draw a question that will be drawn from the published headings. The emphasis of the question and answer will be on cross-curricular links between the issues covered in the question.**

Students taking the state exam will be assigned to a committee for a specific day and time and will attend the state exam as scheduled. They will have time after the thesis defense to prepare a response to the issues they have pulled.