

INTRODUCTION TO THE JOURNAL ISSUE

This issue of our Journal focuses on taxes that affect companies and decisions of individual market participants. The presented papers cover several important topics such as costs, earnings taxation, and their influence on management in companies, capital gains tax influencing rates of return and market volume of trading, and finally, tax evasion in the light of gender. Moreover, the cryptocurrencies are discussed in the light of money laundering, financing terrorism and tax evasion, which overshadows great opportunities and potential of this new technology. Therefore, the major economies in the world have been working on effective strategies to control and tax the cryptocurrency market.

The paper entitled *Corporate Income Tax Changes in the Context of Earnings Management: a Review of the Literature* aims to provide a comprehensive review of the theoretical and empirical literature regarding tax-induced earnings management. The probability of tax-induced earnings management is higher in the case of extreme changes in the tax rate, larger prospects for tax savings as well as in the case of private firms. This paper identifies several inconsistencies and gaps in the current literature, emphasizing that the connection between firms' characteristics, the level of book-tax conformity and the practice of earnings management remains unclear.

In another paper titled *Costs and Taxes in the Light of Financial Management in Companies Listed on WSE*, the authors present costs, taxes and financial management issues in companies listed on the Warsaw Stock Exchange. They discuss costs and taxes as a part of financial management process and assume that costs influence income taxes in a negative way, and as a result, both liquidity and debt levels are influenced. The attitude toward tax evasion can influence the financial strategies in companies.

In the paper entitled *Factors Influencing Tax Evasion from a Global Perspective in the Light of Gender*, the authors analyze tax evasion and factors influencing tax non-compliance such as gender, age, income, education, confidence in government, political scale, and religiosity. Based on the results, we can conclude that all factors influence respondents in the same way, without distinguishing between males and females.

In another paper titled *Cryptocurrency Market and Tax Regulation in Turkey: the Analysis in an European Emerging Economy*, the authors provide a thor-

ough review of the current state of cryptocurrency market and describe how governments perceive and deal with the threats and opportunities brought by the block chain technology. In this study, the authors analyze the current state of Turkey regarding cryptocurrency taxation, and they propose a tax system. The study is based on a detailed literature review on the subject, including legal acts of the USA, Europe, and Turkey. Cryptocurrency market has a great potential and block-chain technology is full of opportunities. However, it is essential to control this market without harming the appeal of cryptocurrencies, and this is definitely not an easy task.

In the paper entitled *Selected Cryptocurrency Returns and Capital Gains Tax – Based on the Example of Countries with Varying Degrees of Legal Regulations Concerning Cryptocurrencies*, the authors present the impact of capital gains tax on the returns of the two most popular cryptocurrencies: Bitcoin and Ethereum Classic (ETC). The results show that for selected countries (Hungary, Italy, Poland, the USA), there is a correlation between the tax rate on capital gains and the return on ETC. In the case of Bitcoin, however, there is no such a relationship.

In another paper titled *Trading Volume and Capital Gains Tax - Evidence from Selected Stock Markets with Different Characteristics*, the authors investigate a relationship between capital gains tax paid by investors and the liquidity of the market, expressed by the trading volume. The authors found that in European countries representing stock markets after the systemic transformation, the higher the taxes on capital gains, the higher the turnover on these markets is reported.

The presented original findings are based on diverse markets and may be inspiring for the future research of the Journal of Finance and Financial Law readers.