



HM Revenue
& Customs

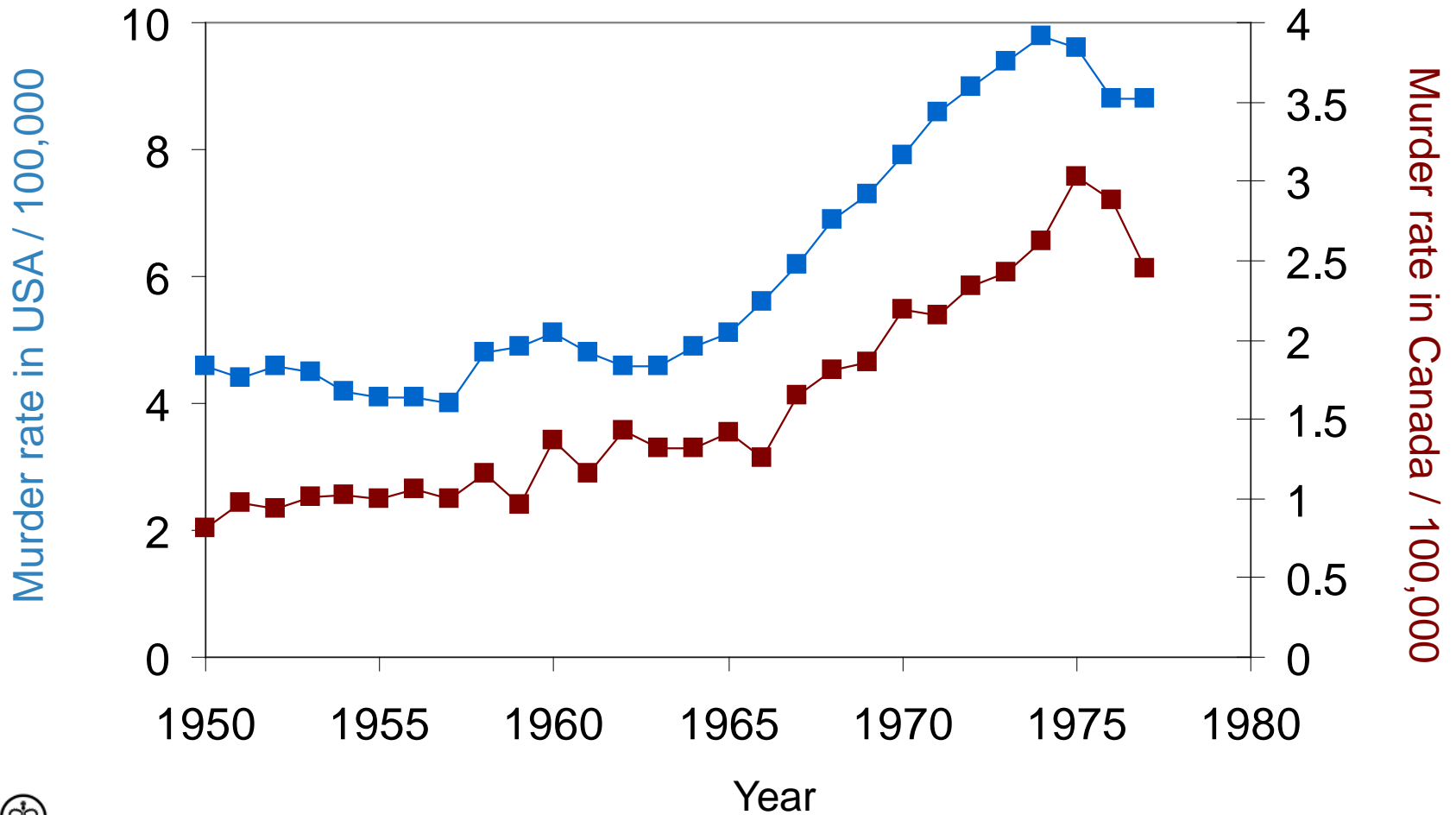
The effects of the UK switch to territoriality on domestic and outbound investment

28th April 2014

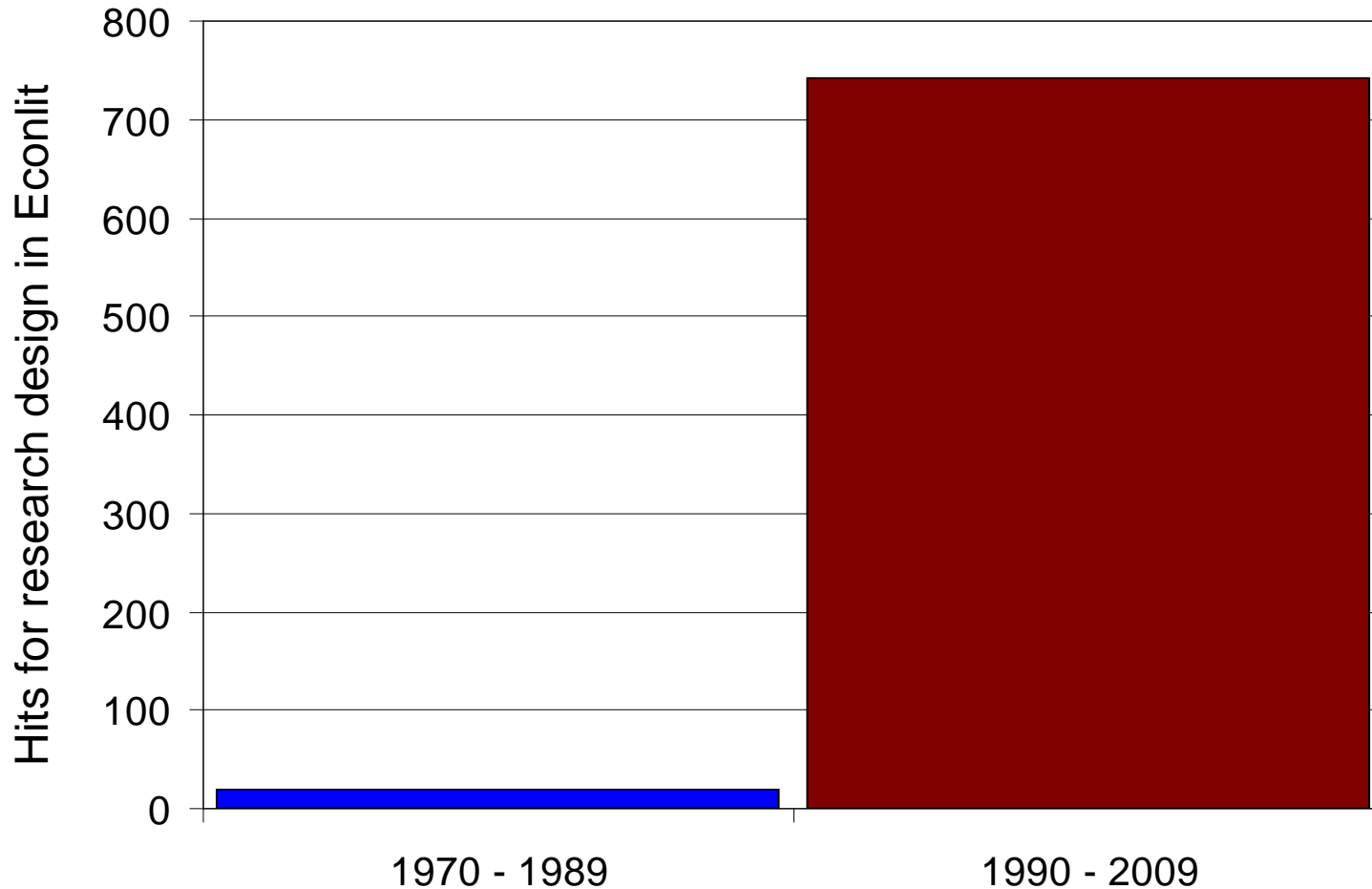
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The Credibility Revolution



The Credibility Revolution II



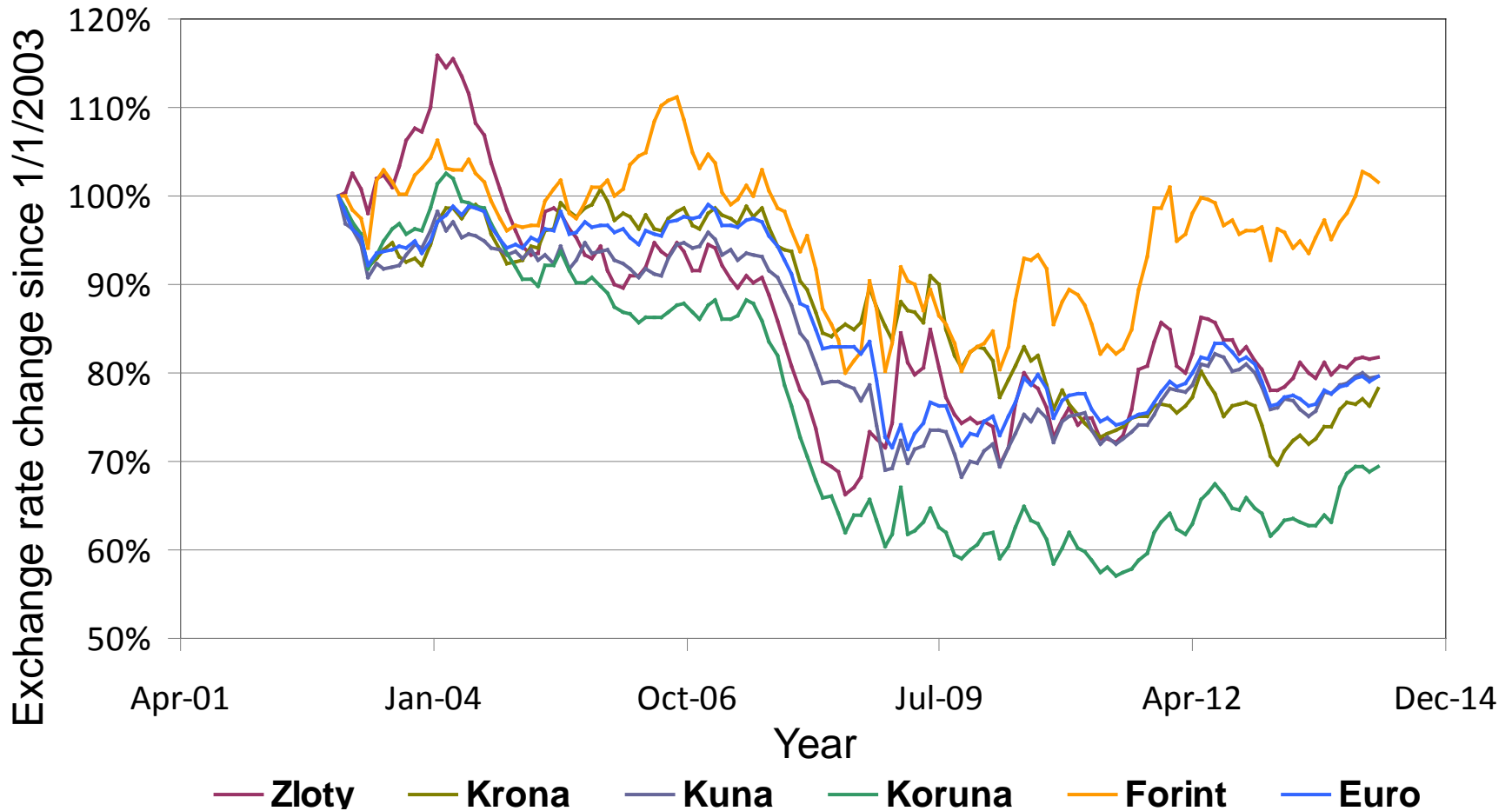
Hit terms are "empirical strategy," "identification strategy," "research design," or "control group"
J. Angrist & J. Pischke, Working Paper 15794, NBER WORKING PAPER SERIES,
<http://www.nber.org/papers/w15794>



Exchange rates: Pound to Euro

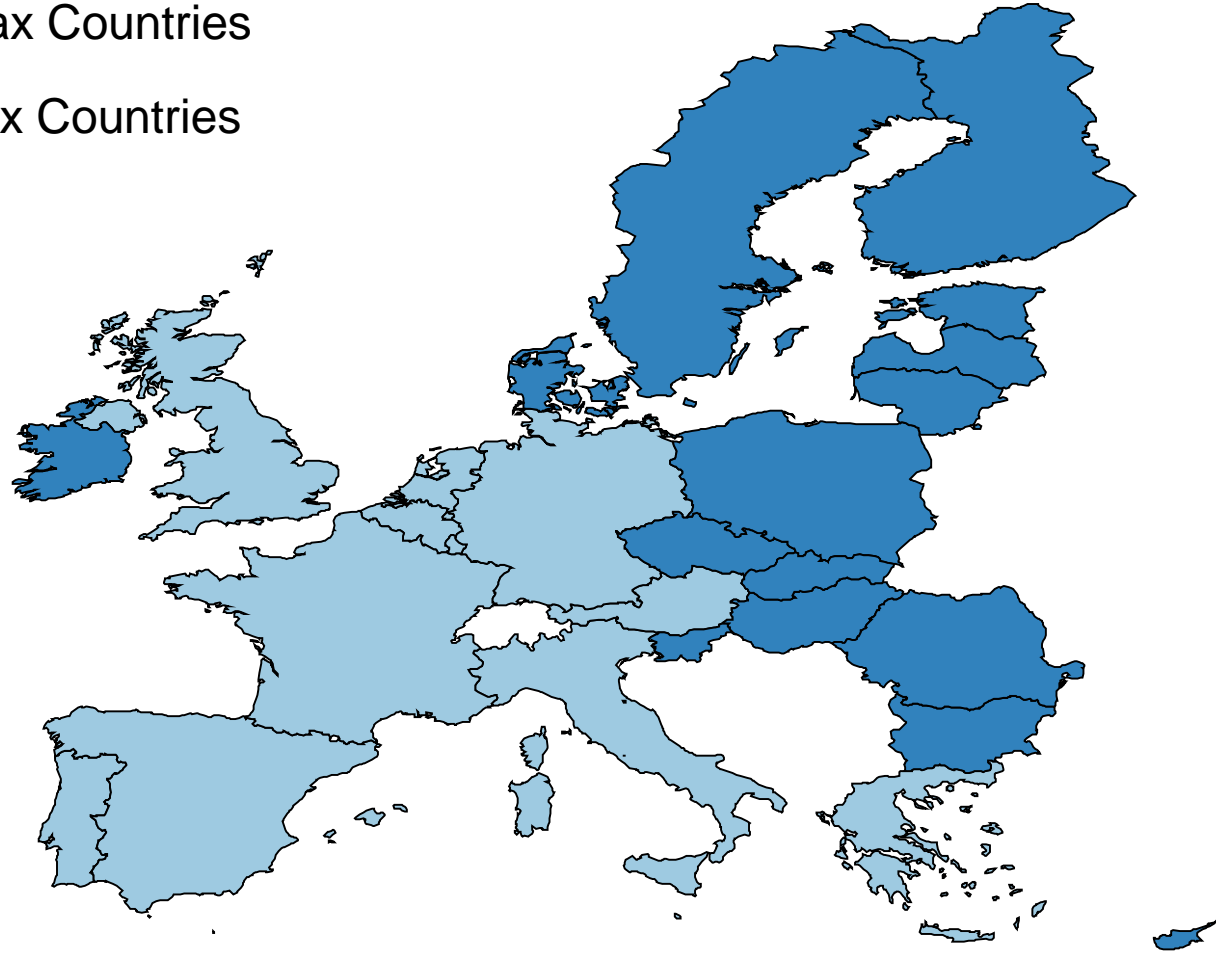


Exchange rates: Pound to EU currencies



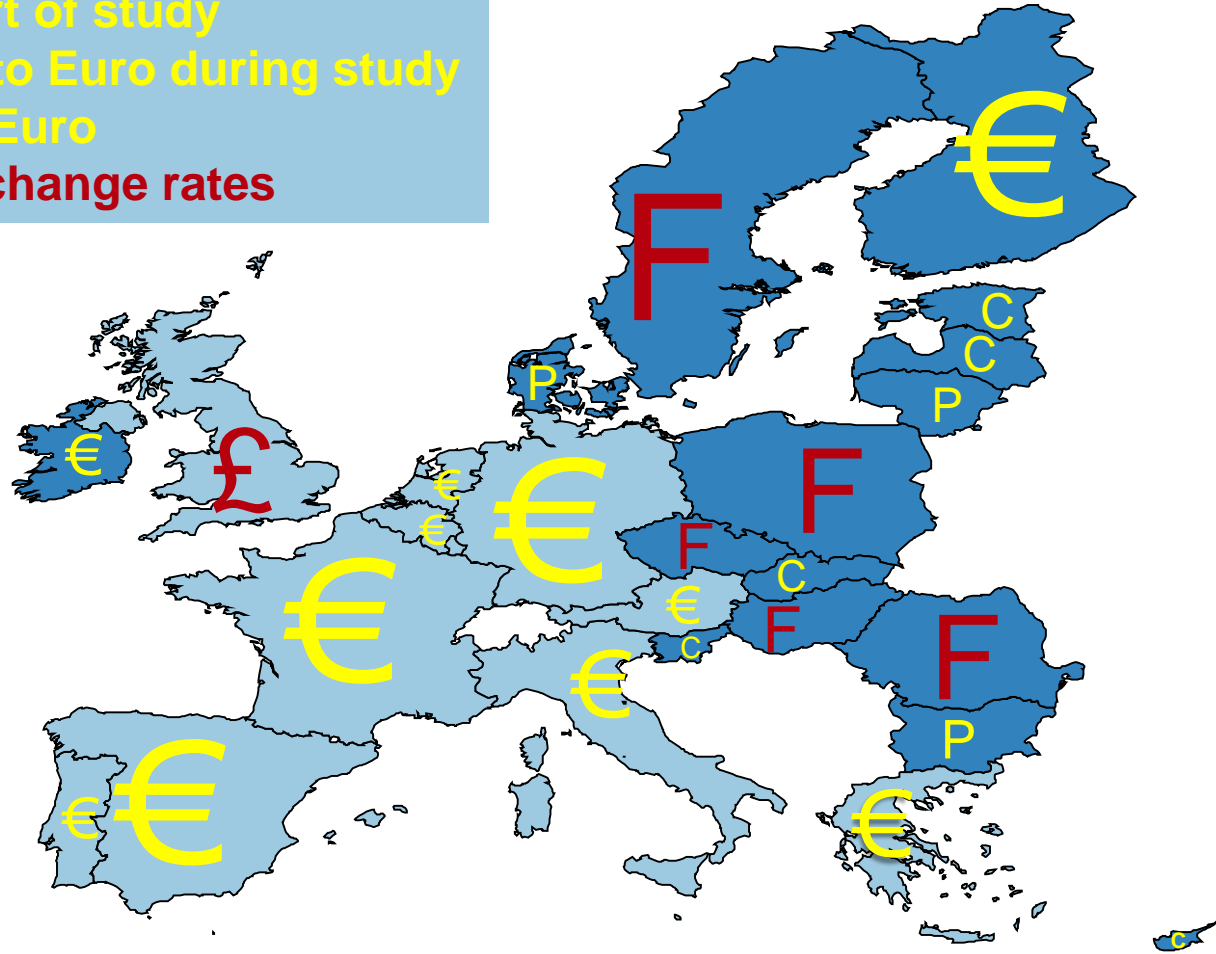
High Tax Countries

- High Tax Countries
- Low Tax Countries



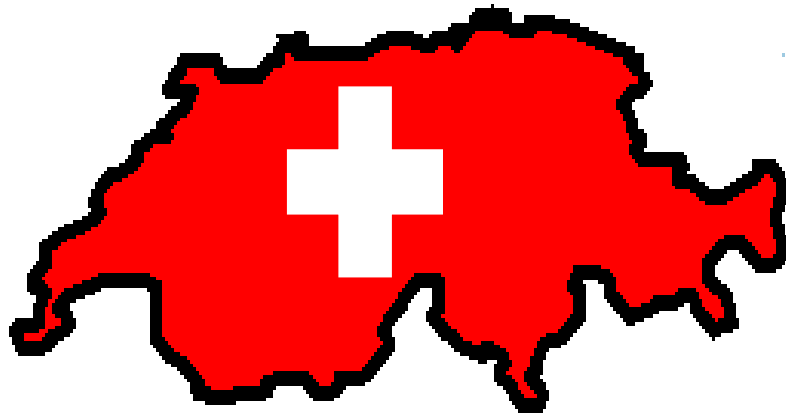
Correlation Between High Tax Countries and Eurozone

€ = Euro at start of study
C = converted to Euro during study
P = Pegged to Euro
F = floating exchange rates



Policy Implications

Tax Neutrality



Investment in Low Tax High Growth Eastern Europe





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Thank you

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