

## DIVIDEND TAXES AND INVESTMENT: A BIBLIOMETRIC ANALYSIS

Eko Ariyanto<sup>1,\*</sup>, Muhammad Zilal Hamzah<sup>2</sup>, Eleonora Sofilda<sup>3</sup>, and Haiyani Rumondang<sup>4</sup>

### Abstract

Various studies have debated how changes in dividend tax rate affect investment decisions. While some argue that dividend tax policies impact investment decisions, others have suggested that these taxes have no relevant influence on such decisions. This study examines how researchers from various countries investigate the relationship between dividend tax policies and investment decisions. Utilizing a bibliometric analysis approach, this study explores research trends in the area of dividend tax policies and investment decisions. Data were sourced from the Scopus database and analyzed using Bibliometrix R-package (Biblioshiny) tools and VOSviewer. The study aims to provide insights into publication trends, countries involved in research in this field, the most relevant journals, the most productive researchers, and recent and future theme trends. By doing so, this study offers a more complete overview of research developments on dividend tax policies and investment, and highlights potential directions for future research.

**Keywords:** Dividend, Dividend Taxation, Investment, Bibliometric, R-package, VOSviewer.

### 1. INTRODUCTION

Countries often use fiscal policy through various tax incentives to promote increased investment, which is expected to increase economic growth (Trepelkov & Verdi, 2018). The OECD (2006) provides several examples of tax incentives. The first model of tax incentive is a Tax Exemption, which can be either temporary or permanent, and offer complete or partial exemption from income tax. The second model is Tariff Reductions, which include lowering the rates for various taxes, either temporarily or permanently. The third model is Tax Allowance, where the government typically grants tax allowances through tax reductions with specific investment conditions. The fourth model is Tax Credit, which offers a reduction in the tax payable that may be related to capital or other expenditures.

Tax policy on dividends could take the form of a tax rate reduction or an exemption. Each country has different objectives. For example, Sweden has reduced the dividend tax rate to encourage overall investment (Alstadsæter et al., 2017), while the United States' President has stated that reducing the dividend tax rate would provide short-term support for investment and capital, facilitating the construction of factories, purchasing equipment, and absorbing a larger workforce (Yagan, 2015). Meanwhile, South Korea has made adjustments to its dividend tax rate policy to strengthen the cycle of sound profit distribution (Lee & Hong,

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2020).

Changes in dividend tax policy can impact numerous aspects beyond the initial intentions of policymakers. Past research has examined various consequences arising from these policies. The effects of differences in payout policies have been studied in the context of South Korea (Lee & Lee, 2019; Lee & Hong, 2020), China (Li et al., 2017; Yu et al., 2021), Norway (Alstadsæter & Fjærli, 2009), Canada (Deslandes et al., 2015), the United States (Chetty & Saez, 2005), and Switzerland (Isakov et al., 2021). Additionally, research assessing the impact on investment has been conducted in Sweden (Alstadsæter et al., 2017), the United States (Chay et al., 2023; Yagan, 2015), and South Korea (Lee & Park, 2023). Studies investigating the influence of dividend taxation on other aspects have also been undertaken by various researchers, including effects on innovation (Jiang et al., 2018), capital structure (Liu et al., 2015), and employment (Jacob, 2021).

Acknowledging that the primary motivation for changes in dividend tax policy is the desire to enhance investment, this study aimed to conduct a bibliometric review of research concerning the relationship between dividend taxation and investment. Consequently, the article examines patterns in the extant publications and trends within this topic area. Through a bibliometric approach, the intention of this study was to explore how experts perceive this theme and to determine the existing research trends. It is hoped that this study will provide valuable insights for finance and public policy researchers.

## 2. LITERATURE REVIEW

The tax preference theory of dividend policy is based on a situation where investors have two choices regarding company profits: taking them in the form of dividends or reinvesting them in the company and hoping to gain profits from capital gains in the future (Lee & Hong, 2020). In tax preference theory, investors choose investment instruments with lower tax rates on investment returns. For example, if the dividend tax rate is higher than the tax rate on capital gains, investors will naturally choose for the company to retain its cash rather than distribute it as dividends (Baker & Powell, 2012).

Consequently, whether dividend tax will affect the Company's investment or not, is based on an understanding of the Company's investment funding sources. The view later called the *old view* assumes that a Company's investment is funded by external sources, namely, new equity. An increase (decrease) in dividend tax causes an increase (decrease) in the cost of equity. With an increase in the cost of equity, investment will decrease, and vice versa. Meanwhile, the opposing view assumes that a Company's investment funding comes from its internal funds (retained earnings). Thus, dividend tax is irrelevant to the Company's investment (Lee & Park, 2023).

To the best of our knowledge, no article using bibliometrics specifically discusses the relationship between taxes on dividends and investment. Several bibliometric articles that we have studied have reviewed many studies on dividend payout policy (Ed-Dafali et al., 2023; Pinto et al., 2019), dividend policy and corporate governance (Narang et al., 2023), dividend policy and controlling shareholders (Geeta Singh et al., 2023). Thus, a comprehensive understanding of the research development concerning the relationship between dividend tax policy and investment and the prospects of this area of study, remains lacking. This study aims to address this gap by posing several research questions:

- Q1: What are the trends in research on dividend tax rates and investment?
- Q2: Who are the most relevant researchers in this field, and how do they build international research networks and contribute to studies on this topic?
- Q3: What are the prospects for research in this area?

### 3. METHODS

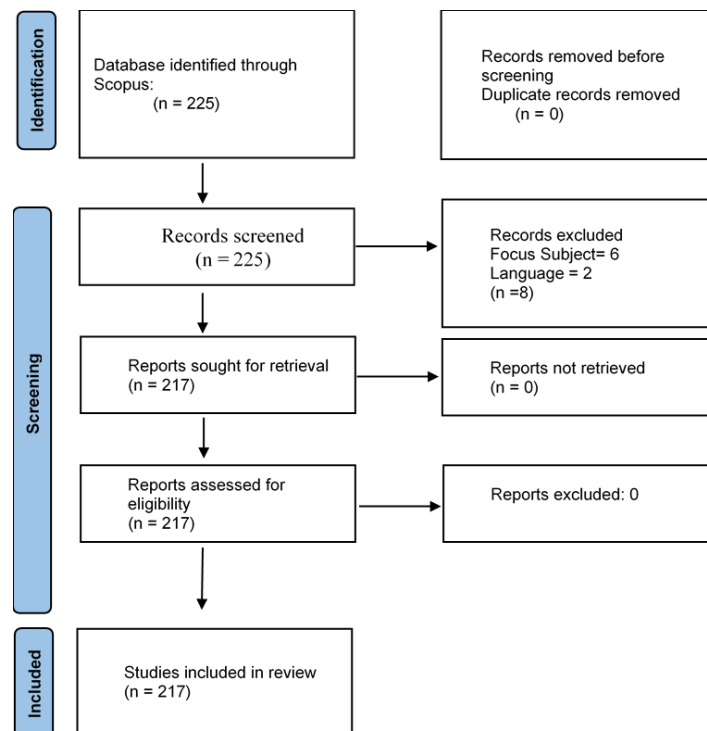
The method used in this article is Bibliometric Analysis. Bibliometric analysis is a prevalent and thorough strategy for investigating and analyzing huge volumes of scientific data (Donthu et al., 2021). The bibliometric approach allows researchers to evaluate empirical findings from previous studies while analyzing publication, collaboration, and citation patterns, to provide a more complete picture of research developments in the field in question. This article focuses on issues such as: the research trends, research clustering, and keywords analysis. We use the Bibliometrix packages of R, Biblioshiny, and VOSViewer.

The process began by obtaining sample data from the Scopus database. The Scopus database enables researchers to obtain large amounts of bibliometric data relatively easily (Ed-Dafali et al., 2023). The Scopus database is also used the most in cited bibliometric analysis in the field of finance (Khan et al., 2022). The database selection uses a string as follows:

TITLE-ABS-KEY (“dividend\* tax” OR “dividend\* taxation\*” OR “dividend\* tax\* policy\*”) AND (“impact\*” OR “effect\*” OR “payout\*” OR “payout\* policy\*” OR “corporate\* investment\*” OR “investment\*” OR “corporate\* behavior\*” OR “investment\* behavior\*”) AND PUBYEAR > 1970 AND (LIMIT-TO (DOCTYPE, “ar”))

Some data screening processes were further applied. First, only articles were chosen for analysis, while book reviews or book chapters were excluded. Second, the Subject was limited to certain subjects of Economics, Econometrics and Finance; Business, Management and Accounting; Social Science and Decision Science. The final screening involved the use of language, where only articles written in English were selected. Figure 1 shows the screening process:

**Figure 1** Data Screening Process



Using the specified search string yielded 225 articles. The subsequent step involved filtering the results by selecting articles categorized under the subjects of Economics, Econometrics and Finance; Business, Management and Accounting; Social Science and Decision Science. This was followed by screening for the use of Language, where only English articles were accepted. The results of the selection process yielded a total of 217 articles suitable for further analysis. These articles were then examined using Biblioshiny and VOSviewer tools.

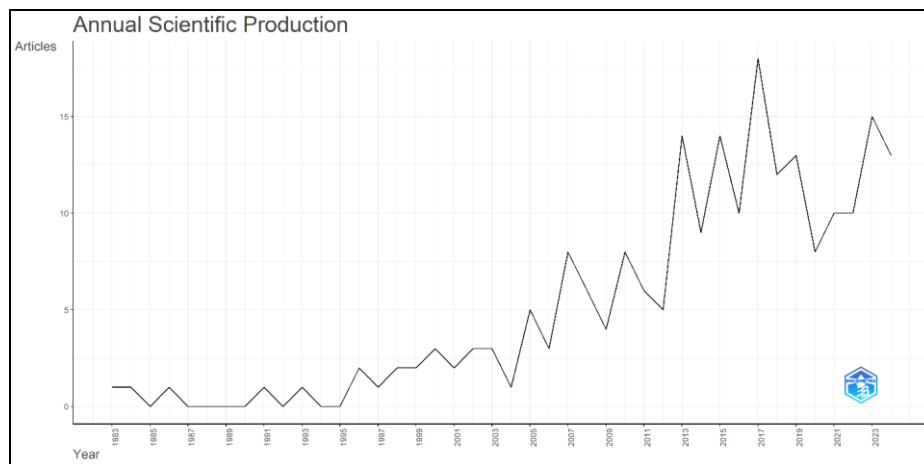
## 4. RESULTS AND DISCUSSION

### 4.1 Publication Trends

Figure 2 shows scientific publications on this issue. Publications related to this issue appear to have been very limited in the early 1980s. This limitation may be due to a lack of attention on this topic or an absence of significant policy changes that would attract academic attention. The development of publications from year to year provides an important picture of how academic attention on the issue of dividend income tax policy and its impact on investment has grown.

The number of published articles reflects changes in tax policy and economic and financial theory developments. This discourse proves that this subject remains an important area of study in economics, with considerable relevance to public policy and business. These conclusions warrant additional research, while an equally robust evaluation suggests that a better grasp of the consequences of dividend taxation policy is necessary.

**Figure 2** Publication Trends



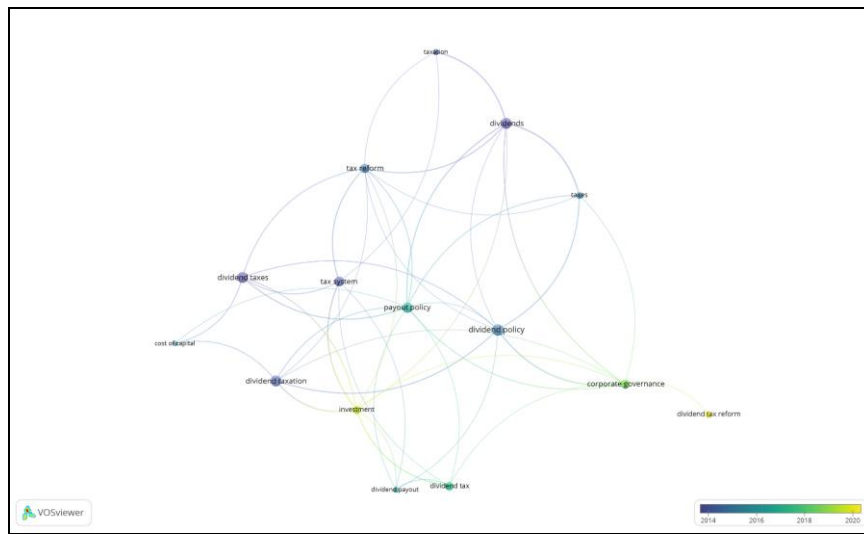
Source: Biblioshiny

Research trends over time were also analyzed using the VOSviewer application. Figure 3 shows changes in research direction. The overlay visualization illustrates changes in research themes over time, using data taken from abstracts. The color gradient from purple, representing older publications, to yellow, representing more recent ones, helps to identify evolving trends and topics in the literature.

Figure 3 illustrates that keywords such as ‘dividends’, ‘taxation’, and ‘tax reform’ are displayed in darker purple shades. The darker purple indicates that these subjects were more frequently discussed in earlier studies. This suggests that most fundamental issues regarding the relationship between dividends and taxation were addressed during this period. Meanwhile, clustering around ‘payout policy’, ‘dividend taxes’, and ‘cost of capital’ demon-

strates that these were central concepts in discussions on corporate finance and tax policies.

### Figure 3 Keyword Trends



Source: VOSviewer

The yellow and green shades indicate more recent studies. Here, the emphasis is on terms such as ‘dividend tax reform’, ‘corporate governance’, and ‘investment’, highlighting the shift to newer research areas. For instance, ‘dividend tax reform’, is highlighted in yellow, indicating that recent discussions concentrate on policy changes and their implications for investment behavior.

This overlay visualization can provide important insights into research development. It shows the evolution of broad subjects such as taxation and dividends down to highly focused topics such as the governance and investment behavior consequences of reforming dividend tax. Such a change in the focus of research is possibly due to changes in economic policy and/or the increasing complexity of taxation in recent years.

The shift in keywords from taxation to corporate governance and investment illustrates a chronological shift in research interest and reflects competing theoretical perspectives in the literature. Taxation research tends to rely on classical public finance theory (Poterba & Summers, 1984). On the other hand, the prominence of corporate governance exhibits the impact of agency theory, which frames dividend taxation in terms of managerial and shareholder conflict of interest and monitoring systems (Brown et al., 2007; Daniel et al., 2008; Jensen & Meckling, 1976). The growing emphasis on investment relates to neoclassical and contemporary investment theory, where taxation is seen as shaping capital allocation, financing strategies, and growth trajectories (Chetty & Saez, 2005; Yagan, 2015). This shift in keywords may also reflect the persistent struggle and disagreement between competing theoretical approaches, with different schools of thought still coexisting and informing the way scholars consider dividend tax in relation to the economy.

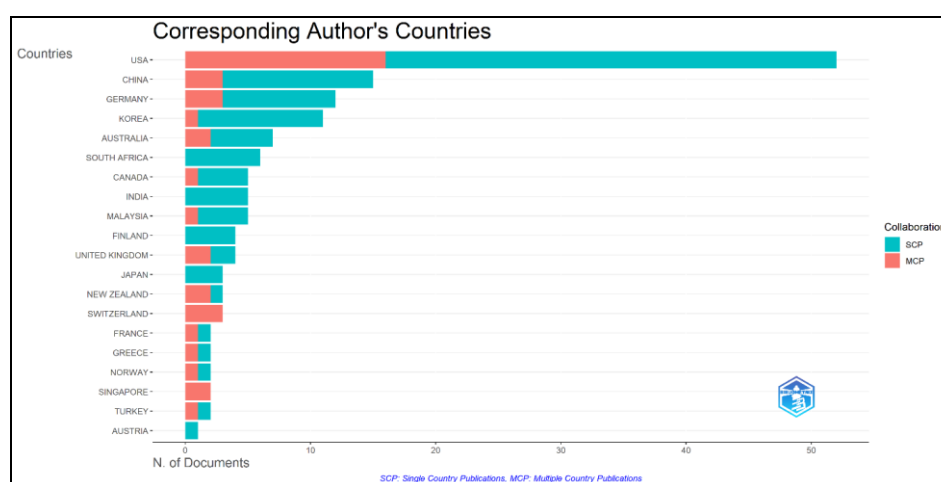
The observed transition in research themes from foundational topics such as *dividends* and *taxation* (Casey et al., 1999; Jacob & Jacob, 2013) to *dividend tax reform* (Alstadsæter et al., 2019; Kong & Ji, 2024) and *corporate governance* (Andres et al., 2019; Zagonel et al., 2018) can be better understood when placed against major tax reforms across different countries. For instance, in the United States, the Jobs and Growth Tax Relief Reconciliation Act of 2003 substantially reduced the dividend tax rate, stimulating a surge of academic interest in how such reforms affect corporate payouts and investment (Chay et al., 2023; De young & Jang, 2021). Similarly, in Europe, countries such as Sweden and Germany have

changed their dividend tax regimes, prompting scholars to reassess the implications of this for investment (Alstadsæter et al., 2017) and ownership structures (Hillmann, 2023). More recently, research has focused on reforms in emerging economies, such as Korea in 2015 (Lee & Park, 2023). These landmark events illustrate how global tax policy developments have shaped corporate practice and influenced academic discourse, as reflected in the bibliometric patterns observed in this study.

## 4.2 Researchers and Journals

Analysis was also conducted on the distribution of documents within the author dataset based on country. Consequently, it was found that researchers from multiple countries have participated in analyzing high-level cross-country studies. The articles' geography is based on researchers' involvement in a country, university, or research center. The distribution of documents across countries or the geography of articles indicates countries with significant contributions to the research topic the authors are investigating. The United States remains the most dominant in publications related to this theme, both for single Country Publication (SCP) and Multiple Country Publication (MCP).

**Figure 4** Authors' Corresponding Countries



Source: Biblioshiny

The chart in Figure 4 shows the distribution of corresponding authors' countries for research publications related to corporate dividend taxation and investment. The chart highlights two types of collaboration: Single-Country Publications (SCP) and Multiple-Country Publications (MCP). The data show that the United States dominates the field, with the most significant number of publications, particularly through SCP. This indicates that extensive research is being conducted independently within the United States.

China is second only to the US, showing a strong position in both SCP and MCP, with the SCP domination. Germany, Korea and Australia also stand out, showing strong research output, some of which has been developed in collaboration with other countries. This trend reflects the international nature of research on dividend taxation and investment.

Countries at the mid-ranging level such as South Africa, Canada, India, and Malaysia, show more balance in the distribution of SCP versus MCP. This suggests that more than others, these nations have a self-sustaining research system, coupled with collaboration with other nations and independent efforts. It is also notable that the United Kingdom, Switzerland, and New Zealand participate more at the MCP level, which suggests another

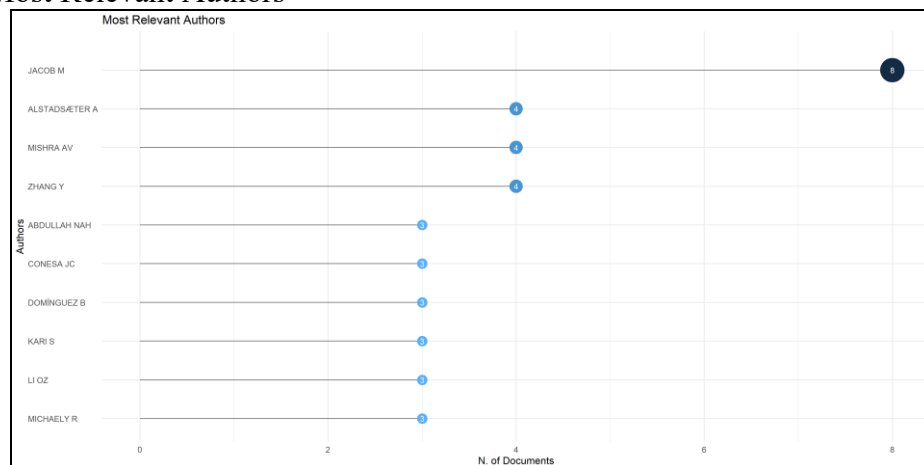
side of the research network.

As a whole, the graph illustrates an aspect of research in which the world is unified, with countries in the area engaging in domestic and international collaborative efforts. Developed countries such as the United States and China have a strong SCP presence, indicating their self-sustaining capacity for independent research. In contrast, smaller countries with a greater MCP presence also illustrate an increase in borderless research collaboration for research on dividend taxation and investment.

In addition to analyzing the authors' country affiliations, we also examined which countries were the primary focus of the studies included in the dataset. The results show that the United States has been the most frequently studied context, reflecting the substantial attention given to its major tax reforms, such as the Jobs and Growth Tax Relief Reconciliation Act of 2003 (Anagnostopoulos et al., 2012; Anagnostopoulos & Atesagaoglu, 2023; Chay et al., 2023; Chetty & Saez, 2005; Desai & Dharmapala, 2011; Dhaliwal et al., 2007; Dunbar & Veliotis, 2012; Han et al., 2024; Lee, 2017; Peretto, 2011). Meanwhile, policy changes in South Korea have also attracted the interest of many researchers in conducting studies on aspects of payout policy, investment, and other impacts (Cho & Yoon, 2021; Choi et al., 2019; Lee & Lee, 2019; Lee & Park, 2023; Lee & Hong, 2020; Lee, 2022; Park & Kim, 2010). Changes in dividend tax policy have also become the basis for many researchers to conduct studies on the impacts of this policy (Gao et al., 2024; Guo et al., 2023; Jiang et al., 2018; Kong & Ji, 2024; Liu, 2021; Liu et al., 2015; Yu et al., 2021). Various researchers have also studied policy changes in various European countries. However, the number of studies based on our data collection is not as large as those in the USA, China, or Korea. Among them are Germany (Hillmann, 2023), the UK (Bell & Jenkinson, 2002), Norway (Alstadsæter et al., 2019; Alstadsæter & Fjærli, 2009), and Sweden (Alstadsæter et al., 2017).

The bibliometric analysis also reveals several researchers that are consistent in conducting research and consequently highly influential within this field. Figure 5 shows three main groups categorized as the Most Relevant Authors. The first group includes Jacob, who has authored eight documents. The second group consists of three authors—Alstadsæter, Mishra, and Zhang—each with four documents. The third group, with three documents each, includes several authors including Abdullah, Conesa, Dominguez, Kari, Li, and Michaely. Among these names, several authors—Alstadsæter, Jacob, Li, and Michaely—appear to be particularly prominent, as their work on this theme has been frequently cited by other researchers, as shown in Table 1.

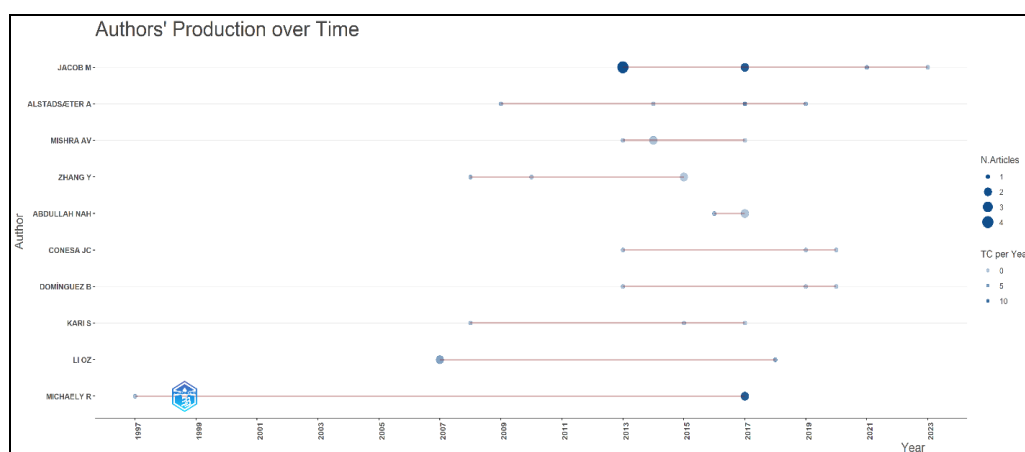
Figure 5 Most Relevant Authors



Source: Biblioshiny

Figure 6 shows how the relevant authors have produced work over time. It depicts the publication activity of a number of authors working on the particular research topic. The vertical axis describes the authors, while the horizontal axis describes the year of publication. The various circle sizes represent the number of article outputs by each author in the given year, while the color of the circle represents the TC (total citations) for that year, with light blue representing low citations and dark blue representing high citations.

**Figure 6** Author Production Over Time



Source: Biblioshiny

It can be seen from Figure 6 that Jacob has been an active author for several years, with a consistent number of publications and significant annual citations. Other authors, such as Alstadsæter, Mishra, and Zhang, seem to have a more scattered publication pattern over the years. Most other authors, such as Michaely and Conesa, seem to have limited contributions in only one or two specific years.

This image highlights several key authors who have made important contributions to a specific area of research. It also shows the pattern of change in publications and citations over time. Authors with thick circles and dark colors, such as Jacob, have made an important contribution by publishing several articles and having a high citation count.

Some of the articles written by the most relevant authors (either as sole authors or in collaboration with other authors) are shown in the table below:

**Table 1.** Articles Written by The Most Relevant Authors

Author Full Names	Title	Year	Source Title	Cited by
Becker, Bo; Jacob, Marcus; Jacob, Martin	Payout taxes and the allocation of investment	2013	Journal of Financial Economics	76
Dhaliwal, Dan; Krull, Linda; Li, Oliver Zhen	Did the 2003 Tax Act reduce the cost of equity capital?	2007	Journal of Accounting and Economics	69
Dhaliwal, Dan; Zhen Li, Oliver; Trezevant, Robert	Is a dividend tax penalty incorporated into the return on a firm's common stock?	2003	Journal of Accounting and Economics	58
Alstadsæter, Annette; Jacob, Martin; Michaely, Roni	Do dividend taxes affect corporate investment?	2017	Journal of Public Economics	54

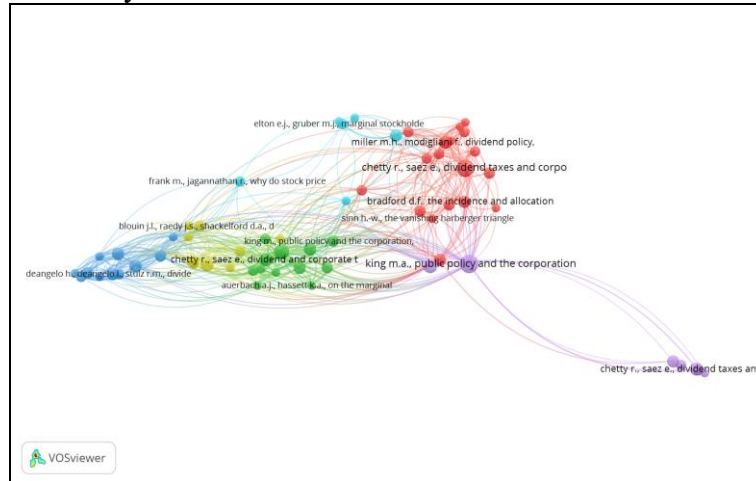


Jacob, Martin; Michaely, Roni	Taxation and dividend policy: The muting effect of agency issues and shareholder conflicts	2017	Review of Financial Studies	42
Alstadsæter, Annette; Fjærli, Erik	Neutral taxation of shareholder income? corporate responses to an announced dividend tax	2009	International Tax and Public Finance	36
Zhang, Yi; Farrell, Kathleen A.; Brown, Todd A.	Ex-dividend day price and volume: The case of 2003 dividend tax cut	2008	National Tax Journal	31
Guan, Jenny Xinjiao; Li, Oliver Zhen; Ma, Jiameng	Managerial Ability and the Shareholder Tax Sensitivity of Dividends	2018	Journal of Financial and Quantitative Analysis	23
Hubbard, Jeff; Michaely, Roni	Do investors ignore dividend taxation? A reexamination of the Citizens Utilities case	1997	Journal of Financial and Quantitative Analysis	22
Abdulkadir, Rihanat Idowu; Abdullah, Nur Aadiana Hiau; Wong, Woei-Chyuan	Dividend Payment Behaviour and its Determinants: The Nigerian Evidence	2016	African Development Review	19
Kari, Seppo; Karikallio, Hanna; Pirttilä, Jukka	Anticipating tax changes: Evidence from the finnish corporate income tax reform of 2005	2008	Fiscal Studies	17
Alstadsæter, Annette; Kopczuk, Wojciech; Telle, Kjetil	Social networks and tax avoidance: evidence from a well-defined Norwegian tax shelter	2019	International Tax and Public Finance	15
Mishra, Anil V.; Ratti, Ronald A.	Home bias and cross border taxation	2013	Journal of International Money and Finance	15
Jacob, Martin	Dividend taxes, employment, and firm productivity	2021	Journal of Corporate Finance	13
Alstadsæter, Annette; Kopczuk, Wojciech; Telle, Kjetil	Are closely held firms tax shelters?	2014	Tax Policy and the Economy	11
Conesa, Juan C.; Domínguez, Begoña	Intangible investment and Ramsey capital taxation	2013	Journal of Monetary Economics	11
Mishra, Anil V.	Australia's home bias and cross border taxation	2014	Global Finance Journal	6
Li, Oliver Zhen	Taxes and valuation: Evidence from dividend change announcements	2007	Journal of the American Taxation Association	6
Jacob, Marcus; Jacob, Martin	Taxation and the cash flow sensitivity of dividends	2013	Economics Letters	5

Abdullah, Nur Adiana Hiau; Taufil Mohd, Kamarun Nisham; Wong, Woei Chyuan	Implications of dividend tax reforms on M-REITs performance	2017	Journal of Property Investment and Finance	3
Mishra, Anil V.; Ratti, Ronald A.	Taxation of domestic dividend income and foreign investment holdings	2014	International Review of Economics and Finance	3
Liu, Hang; Zhang, Yixin; Gao, Shenghao	Dividend tax and capital structure: Evidence from China	2015	China Journal of Accounting Studies	3
Whitworth, Jeff; Zhang, Yi	Accrued capital gains and ex-dividend day pricing	2010	Managerial Finance	3
Kari, Seppo; Laitila, Jussi	Nonlinear dividend tax and the dynamics of the firm	2015	FinanzArchiv	3
Jacob, Martin; Todtenhaupt, Maximilian	Withholding Taxes, Compliance Cost, and Foreign Portfolio Investment	2023	Accounting Review	2
Conesa, Juan Carlos; Domínguez, Begoña	The timing of optimal capital income tax reforms: the role of intangible capital investment	2019	SERIEs	2
Conesa, Juan Carlos; Domínguez, Begoña	Capital taxes and redistribution: The role of management time and tax deductible investment	2020	Review of Economic Dynamics	2
Wong, Woei-Chyuan; Mohd, Kamarun Nisham Taufil; Abdullah, Nur Adiana Hiau	Announcement effects of dividend tax cuts and corporate policies: Evidence from Malaysia reits	2017	Pacific Rim Property Research Journal	1
Harju, Jarkko; Kari, Seppo	Dividend taxes and decisions of MNEs: Evidence from a finnish tax reform	2017	CESifo Economic Studies	1
Mishra, Anil V.; Anwar, Sajid	Foreign portfolio equity holdings and capital gains taxation	2017	International Review of Financial Analysis	0
Farrell, Kathleen A.; Yu, Jin; Zhang, Yi	Dividend payouts of commercial banks	2015	Academy of Accounting and Financial Studies Journal	0

Source: Scopus Database

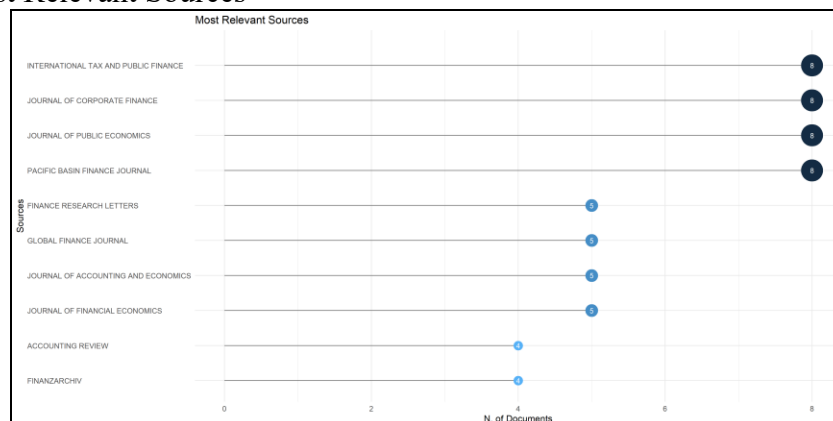
A co-citation analysis was conducted using VOSviewer to identify the intellectual foundations underpinning this study. The type of analysis was set to co-citation, with the cited references as the unit of analysis and the full counting method employed. A minimum threshold of five citations was applied, resulting in 64 references out of 7,474 meeting the inclusion criteria. This approach enables the identification of seminal works that have shaped the scholarly discourse on dividend taxation and corporate behavior.

**Figure 7** Co-citation Analysis

Source: VOSviewer

The co-citation mapping, as shown in figure 7, indicates some different clusters in the literature. The first cluster (green) represents studies on dividend taxation and corporate behavior, exemplified by the works of Auerbach & Hassett (1992) and Chetty & Saez (2005). The second, shown in red, identifies essential literature on dividend policy and corporate finance theory, with the most notable being Miller & Modigliani (1961). The third cluster, shown in blue, is concerned with empirical research on dividend behavior, notably the works of DeAngelo et al. (2006). Finally, there is a fourth, more focused cluster (purple) which is centered around the subsequent works of Chetty and Saez, especially their 2005 study on dividend taxation and policy. In this context, the importance of Chetty & Saez (2005, 2006) also serves as a bridge between the classical theories of dividend policy with empirical corporate finance studies and current research on taxation. This placement indicates that the dividend taxation literature is at the crossroad between classical finance, tax policy, and empirical corporate behavior.

We also analyzed the most influential journals on this theme (Figure 8). It is known that journals that review issues on the theme of tax on dividends and investment include two large groups of scientific disciplines. The first is the financial scientific group, where the Journal of Corporate Finance is the largest in the finance scientific cluster. Meanwhile, International Tax and Public Finance and the Journal of Public Economics are the largest in the public finance/public policy scientific group. Many journals that review this theme have a very high center in each field, be it in public finance/public policy or finance/accounting.

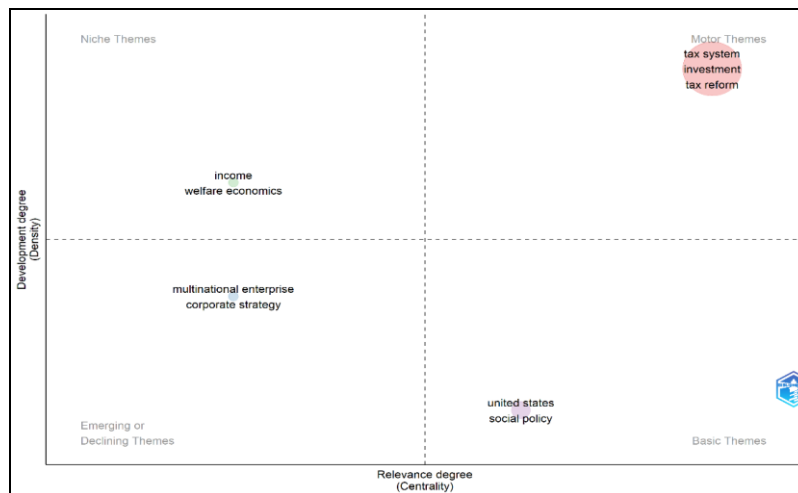
**Figure 8** Most Relevant Sources

Source: Biblioshiny

### 4.3 Thematic Maps

The following analysis was carried out based on thematic maps (Figure 9). According to Donthu et al. (2021), thematic map analysis helps in determining a study's development and significance. The themes contained in the right quadrants are significant but not developed. Meanwhile, the left quadrants contain less significant studies, new concepts, or studies that have faded from researchers' attention.

**Figure 9** Thematic Map



Source: Biblioshiny

The “Motor Themes” quadrant (upper-right) features the “tax system”, “investment”, and “tax reform”. These themes, which are highly central and well-developed, indicate the focus of the field. They are key themes around which research on corporate tax policy and investment behavior revolves. The presence of such themes denotes that research in this area is well-established and contributes towards the further development of the field.

The lower left quadrant has “Emerging or Declining Themes” which comprise ‘multinational enterprises’ and ‘corporate strategy’. These themes are less developed and less central, signifying that they either in the process of capturing the interest of research and development or are waning in significance. The interest in corporate strategies about multinational enterprises might suggest the onset of research or an increasing interest in the impact of tax policies on global businesses. However, the extent of research available on this subject appears to be minimal.

The upper left quadrant with ‘Niche Themes’ contains topics such as “income” and “welfare economics”. These areas are well-developed and very specialized, but cross the field of study. As such, they might be considered to lack importance. Research in this quadrant is likely to deal with the impacts of welfare and income that are determinable as a result of taxation, but do not steer the primary conversation on taxation vis-à-vis investment.

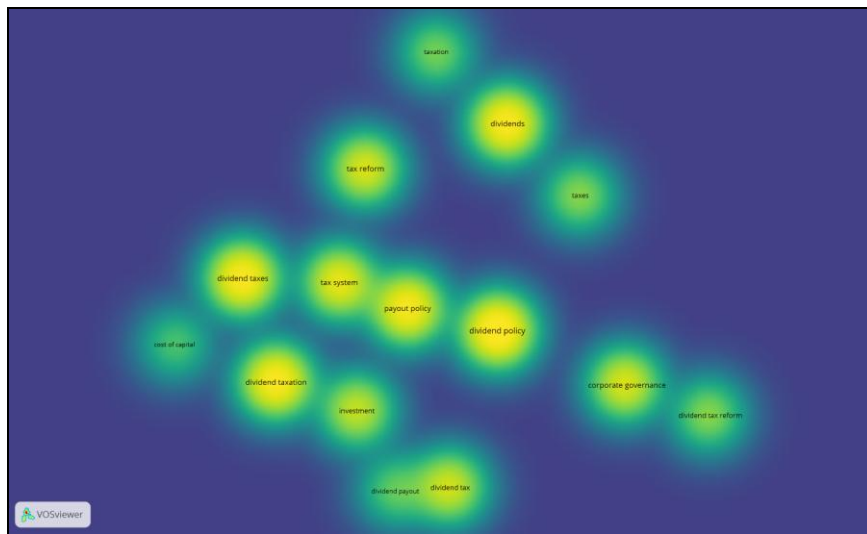
Lastly, the lower-right quadrant called “Basic Themes,” captures the “United States” as well as “social policy” and other topics. These topics are key to the field, but lack substantive research attention. This suggests the U.S. and social policy, while fundamental in appreciating the wider scope of dividend taxation and investment, are underserved in research and analysis.

The VOSviewer program was used to examine the thematic density using its density visualization facility, the results of which are presented in Figure 10. The density visualization produced through VOSviewer provides an overview of principal themes and

ideas in the literature concerning taxation of dividends and investment. The areas of greatest density, shown in yellow, are terms and topics which occur in greatest frequency in the body of the research and speak to the importance in the field.

The analysis displays multiple principal clusters. Notably, the terms “dividends,” “taxation,” “dividend policy,” and “payout policy” are located in the same zone, indicating that there is a strong linkage between corporate policy on dividends and taxation. This linkage is consistent with the literature in which raising dividend tax rates is assumed to positively influence a firm’s dividend payout policies, which, in return, affects investment behavior. Use of the terms “tax reform” and “tax system” also indicates ongoing research on the effects tax policies impose on corporate policies.

**Figure 10** The Density Map



Source: VOSviewer

Another significant cluster revolves around the concepts of ‘corporate governance’ and ‘investment’ as the literature considers the relationship between taxation and payout policy and with firm governance and investment in the broadest sense. This illustrates the capability of tax structures to influence decisions taken at the firm-level regarding resource allocation, investment in growth opportunities, and long term finance planning.

In summary, the visualization reinforces the notion that tax on dividends is particularly influential, if not dominant, in the context of almost all other factors pertaining to the financial behavior of corporations. The mutual relationship between the concepts in this cluster implies that the consequences of tax on dividends are broad and cannot be examined in isolation. This relationship is, in fact, part of a much larger framework of corporate management, payout policy, and investment approaches.

## 5. CONCLUSION

1. The research trend for this theme is increasing. Some themes, such as investment, emerged later than other study themes. This shows that more recently, researchers are becoming interested in linking the themes of dividend taxation and investment.
2. Researchers from various countries have contributed to high-level cross-country studies on this topic, with work published in leading journals in the fields of public finance and corporate finance. Several names appear in the category of most relevant authors, including Jacob, Alstadsæter, Mishra, Zhang, Abdullah, Conesa, Dominguez, Kari, Li,

and Michaely. Of these, Alstadsæter, Jacob, Li, and Michaely stand out, as other scholars have frequently cited their research on this theme.

3. Research on dividend tax policy spans various clusters, highlighting its impact on corporate dividend payout decisions, investment strategies, and policy analysis. Additionally, this theme encompasses perspectives from diverse scientific disciplines. From a thematic density analysis, core topics such as dividend payout decisions remain a central focus of scholarly interest. However, emerging themes, such as the relationship between dividend taxation and investment, have seen relatively limited attention but are beginning to gain traction. This trend highlights opportunities for future researchers to explore, as they are underexamined areas in the existing literature.

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