

The financial crisis of 2007–08 has shown that bank risky operations may cause dramatic consequences for economies. These are not only because of banks' losses and significant public resources needed to spend for bailing out the banks but also because banks' bankruptcies bring significant social and economic consequences all over the world. In order to minimize banks' engagement in risky operations, the world organizations, such as: The European Commission, the IMF, the Basel Committee, the World Bank issued many recommendations, how to regulate the banking sector. One of the proposals has been to introduce the banking tax (IMF, 2010). Recently, many countries decided to apply this regulatory instrument. However, more and more economists and financial market observers claim that banking tax may negatively affect functioning of the banking sector.

Therefore, the main aim of the project will be theoretical and empirical analysis of the introduction of banking tax on the functioning of the interbank market in Poland, and in other 26 European countries. More specifically, the effect will be assessed with respect to three areas: interbank liquidity, maturity of the borrowing transactions, and the costs of interbank borrowing. The project will consider 15 different countries, which decided to introduce the banking tax, which allow for relative effectiveness of different banking tax systems and for answering the question, which taxation system triggers the most negative consequences for functioning of the interbank markets.

The financial crisis in 2008-2011 has shown how important is the effective functioning of the interbank market for the entire financial sector. The bankruptcy of Lehman Brothers in 2008, and "freezing" the interbank market have led to the bankruptcy of many banks, which could not get funding on the market. Consequently, this has led to the spread of the crisis on a global scale. Therefore, the study will have significant value for regulators, politicians and whole society as the banking sector is a driver of economic growth in most countries in the world.