

## Table of Contents

List of abbreviations .....	11
Introduction.....	13

### Part 1 Introductory issues

1.General remarks .....	17
2. Tax and tax system.....	17
2.1. A definition of tax.....	17
2.2. Constant features of tax .....	18
2.3. Structural components of tax .....	21
2.4. Classification of taxes.....	25
2.5. Tax system.....	25
3. International and European Union law on the basis of selected tax issues.....	26
3.1. Introductory remarks .....	26
3.2. EU law and the issue of tax harmonization .....	27
3.3. Elimination of international double taxation .....	29
3.3.1. Economic and juridical international double taxation ....	29
3.3.2. A role of international agreements and OECD Model Convention .....	31
3.3.3. Fundamental mechanisms of double taxation elimination...	32
4. Introduction of domestic tax law .....	34
4.1. General remarks.....	34
4.2. Special role of the tax statute in the light of constitutional requirements .....	35

4.3. The requirements resulting from the Constitution concerning tax competence acts.....	38
4.4. Regulations governing the tax matter.....	40
4.5. Tax resolutions of municipal councils.....	42
4.6. The principles of making tax law .....	44
4.7. Supervision over the process of making tax law .....	47
5. Application of tax law.....	49
5.1. General remarks.....	49
5.2. Principles of tax law application.....	53
5.3. The importance of advance tax rulings in the scope of tax law application .....	54
5.4. A role of courts in the scope of tax law application .....	56

## Part 2 **General tax law**

1. General remarks .....	59
2. Parties to a legally binding fiscal relationship .....	60
2.1. Introduction.....	60
2.2. Tax authorities .....	60
2.3. Competence of tax authorities .....	63
2.4. A taxpayer.....	64
2.5. A tax remitter and a tax collector .....	66
3. From tax liability to tax arrears.....	69
3.1. Tax liability.....	69
3.2. Tax obligation.....	70
3.3. How tax obligations are formed .....	71
3.4. Payment limits .....	76
3.5. Tax arrears .....	78

3.6. Default interest.....	78
3.7. Securing the fulfillment of tax obligations .....	79
4. Special principles concerning the assessment of tax base .....	82
4.1. Estimation of tax base.....	82
4.2. Advanced price agreements .....	84
5. The expiry of tax obligations and overpayment .....	87
5.1. Effective and non-effective ways of tax obligations expiry ..	87
5.2. Tax payment .....	88
5.3. Deduction.....	91
5.4. Transfer of ownership.....	92
5.5. Inclusion of excess payment.....	93
5.6. Statute of Limitation .....	94
5.7. Abandonment of tax collection.....	97
5.8. Tax exemption in connection with the advance tax rulings ..	98
5.9. Overpayment.....	99
6. Tax reliefs available to meet tax obligations .....	101
6.1. A description of reliefs in repayment of tax obligations ....	101
6.2. Types of relief.....	102
6.3. The procedure of applying relief to repay tax due.....	103
6.4. Prolongation fee.....	106
7. Scope of tax responsibility .....	107
7.1. General remarks.....	107
7.2. Responsibility of taxpayers.....	107
7.3. Responsibility of tax remitters and tax collectors.....	109
7.4. Responsibility of legal successors .....	109
7.5. Responsibility of third parties.....	112
7.6. Joint responsibility for tax obligations .....	117

8. Tax procedures.....	119
8.1. A model of tax proceedings .....	119
8.2. General rules of tax proceedings .....	120
8.3. Parties to the proceedings and their representatives .....	122
8.4. The initiation of tax proceedings .....	125
8.5. Hearing of evidence .....	126
8.6. Decisions and rulings.....	129
8.7. Service of tax documents.....	130
8.8. Ordinary appeal measures.....	133
8.9. Extraordinary procedures of setting aside final decisions ...	135
8.10. Inspection acts .....	136
8.11. Tax audit .....	137

### Part 3 **Material tax law**

1. General remarks .....	138
2. Personal income tax .....	138
2.1. Subject of taxation .....	138
2.2. Object of taxation .....	142
2.3. Tax rates.....	145
2.4. Tax allowances and tax exemptions .....	146
2.5. The procedure and terms of payment .....	147
3. Corporate income tax .....	149
3.1. Subject of taxation .....	149
3.2. Object of taxation and tax base.....	150
3.3. Tax rates.....	155
3.4. Tax allowances ant tax exemptions .....	155
3.5. The procedure and terms of payment .....	156

4. Lump-sum forms of income tax .....	157
4.1. Lump-sum on registered revenues .....	157
4.2. Artisan's tax.....	162
4.3. Lump-sum paid by clerics.....	166
4.4. Tonnage tax .....	167
5. Goods and Services Tax.....	168
5.1. Subject of taxation .....	168
5.2. Object of taxation .....	170
5.3. Tax base .....	172
5.4. Tax rates.....	173
5.5. Tax exemptions.....	173
5.6. The procedure and terms of payment .....	174
5.7. Due tax and tax refund.....	175
6. Excise duty and gambling tax .....	177
6.1. Subject of taxation in excise duty .....	177
6.2. Object of taxation in excise duty .....	177
6.3. Tax base in excise duty .....	179
6.4. Tax rates in excise duty .....	179
6.5. Tax exemption in excise duty .....	180
6.6. The procedure and terms of payment .....	180
6.7. Gambling tax .....	182
7. The taxation of real estates .....	184
7.1. General remarks.....	184
7.2. The taxpayer .....	184
7.3. The object of taxation .....	185
7.4. The tax base .....	187
7.5. Rules of establishing the rates .....	188

7.6. The commencement and expiry of a tax liability .....	189
7.7. Tax allowances and tax exemptions .....	190
7.8. Time-limits and payment rules .....	191
8. Other local taxes .....	192
8.1. Tax on means of transport .....	192
8.2. Donation and inheritance tax .....	195
8.3. Tax on acts in civil law .....	197
Bibliography .....	199