

Ownership of land and land transfers from the perspective of tax legislation

Abstract

The thesis deals with taxes from immovable property – real estate tax and tax on the acquisition of immovable property. The aim of the work is to clearly describe the current legislation of these taxes, to highlight their importance, to assess the appropriateness of the legislation and to suggest possible improvements based on case studies and comparison with the legislation of real estate taxation in other European countries. In the first part of the work, the author focuses on the civil law side of the issue to understand the important civil law institutes related to this topic. The second part deals with real estate tax, where land tax is first specified, and the basic elements of the tax are defined. Furthermore, the author expresses her views on the degree of autonomy of municipalities related to the setup of the tax amount and summarises the opinion on tax by both taxpayers and experts. In this context, it is pointed out the meaning and purpose of the immovable property tax and related changes are proposed. It is shown on practical examples how different can be the tax revenue depending on the increase or decrease of municipal and local coefficients and their low usage by municipalities is demonstrated. The Czech real estate tax is compared with real estate taxes in other European Union countries and subsequently the Slovak real estate tax legislation is compared in more detail with the Czech, because Slovak real estate tax is based on a different principle allowing greater autonomy of municipalities. The third part deals with the acquisition tax on immovable property. Even for this tax, the basic elements of the tax are defined. In respect with the fundamental changes in legislation that have taken place in the past, the most important differences are described and the current suggestions pointing to significant changes in the concept of the real estate acquisition tax are discussed in more detail. This tax is also set in the wider context of the legislation related to the taxation of transfers of immovable property in selected Member States of the European Union. The last chapter of the work summarises and discusses one of the insufficient of the current tax on the acquisition of immovable property legislation, which is already pointed out during this thesis, namely the loss of tax revenues due to the transfer of shares of commercial corporations owning the immovable property. These are cases where the only purpose of establishing a commercial corporation is often the subsequent transfer of immovable property and to avoid taxation. In this context, possible changes are suggested that could result in greater tax revenues and, at the same time, lower taxation of real estates for housing and thus improve the availability of housing in private ownership.

Keywords: land, real estate tax, tax on the acquisition of immovable property