

Abstract: National and International Taxation of Corporate Groups

The thesis deals with the national and international taxation of corporate groups. After examining the historical development of income tax and the tax system in the Czech Republic, the thesis compares how a corporate group is defined in commercial law and in tax law. The topic of the taxation of a corporate group's income in the Czech Republic is divided into taxation of the individual legal forms of the companies involved and the taxation of the income received by the members/shareholders of such companies. As part of an overview of the international taxation of the income of group companies, the thesis also looks at the methods for elimination of double-taxation, as regulated in bilateral treaties on elimination of double-taxation, and examines in detail the taxation of dividends, interest and licensing fees. The part focusing on transfer pricing explains the procedure for setting such prices in accordance with the current OECD directive, as well as the rules for preparing a comparability analysis. It then looks at the methods for setting transfer prices and the requisites of transfer pricing documentation. With regard to EU and OECD measures, the thesis provides explanatory information on draft directives on a common tax base and a common, consolidated tax base for income tax purposes, i.e. the BEPS project and the ATAD and DAC 6 directives . The thesis concludes with a summary examining the degree to which the system of rules presently in effect fulfills the principles of an optimal system of taxation and also contains some de lege ferenda deliberations from the author.

The thesis was prepared on the basis of the state of affairs as at 27 April 2020.

Keywords:

Corporate income tax

Corporate group, holding company

Elimination of double-taxation

Transfer pricing

Cross-border arrangements

Automatic exchange of information