

The Diploma Thesis is devoted to the Transfer pricing problematic, whereby the Transfer Pricing and the Arm's length principle as such are defined, further the Czech and Slovak transfer pricing law is presented and the different transfer pricing together with their possible usage are described.

The work is divided into 7 sections, section 1 – 5 is basically a theoretical description of the topics stated above. Section 6 comments the actual situation and development in the transfer pricing area around the world and finally section 7 demonstrates on an example the practical transfer pricing analysis with all its relevant aspects. The aim of the analysis was to present the possible ways of determining the appropriate transfer pricing method and the evaluation of the financial data when applying the selected method.

The presented case study was based on an analysis of a group of 3 companies and was in general oriented on two different kinds of transactions. The application of various transfer pricing methods was demonstrated and the correctness of the transaction conditions was commented.