Abstract

The thesis is composed of five chapters, each of them dealing with different aspects of the Personal income tax. Chapter One is introductory of the tax system of Czech republic and about changes in this system. The second part of the chapter one describes The Income taxes in Czech Republic and its legal regulation, which is inhere in an act called Income Taxes Act no. 586/1992 Coll. This act established Czech Republic in 1.1.1993.

In the present time, income taxes represent one of the most profitable canals of the state budget, even if, in the last years, their share is running down at the expanse of indirect taxes. The income tax is a universal tax and the whole incomes of individuals are liable to this taxation.

Chapter Two examines relevant Czech legislation about the Self-employed person income tax. The chapter consists of eleven parts. Part One focuses on tax subjects, a taxable person (resident and non resident) and a tax payer. Tax for an individual who meets the criteria of a "permanent resident" of the Czech Republic is calculated on his income earned inside the Republic and abroad. A non-resident who is employed in the Czech Republic pays tax only on income earned in the Republic. Part Two investigates the object of tax of the Personal income tax, which is divided into five parts. Part Three addresses the issue of tax free incomes, which relate to the Self-employed person. Remaining parts deal with a tax base, an expenditure, a nontaxable part of a tax base, an income tax rate and a tax allowance.

Chapter Three analyses duties of tax subject. The chapter is subdivided into three parts. Part One concentrates on the registration of tax subject. Part Two looks at a notification duty and part three summarise information about declaration of tax, tax search and burden of proof of tax subject.

Chapter Four concentrates on problems resulting from the payment of tax and an advance payment of tax.

Conclusions are drawn in Chapter Five. There is recommended changes of legislation. For example restriction of a number of exemption from tax cost and a number of exempt from tax income.