Abstract

This thesis introduces and analyzes the controversial topic of basic income, which have recently received increasing attention of academic, political as well as general community. Definition, origins and history of the theme, current BI discussion, possible alternative and practical implementations of BI are all summarized. The thesis also simulates potential effects of BI scheme adoption in the Czech Republic. Using detailed data on income distribution and estimates of labor elasticities, we estimated a tax rate on earned income that would be necessary to implement to make the BI scheme budget neutral. Our results suggest that such a rate would be much higher than the current compounded tax and social security contribution rates, rendering the BI concept impractical in the Czech Republic.

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Basic Income, Social Security, Income Tax, Public Budget

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