

Resumé v anglickém jazyce a klíčová slova

Taxation of income of business companies and their members (comparison of legal regulation in the Czech Republic and the Slovak Republic)

My diploma thesis called “Taxation of income of business companies and their members (comparison of legal regulation in the Czech Republic and the Slovak Republic)” focuses mainly on the differences between legal regulation of system of income taxation in the Czech and Slovak Republic. Whereas a business company could be considered solely a legal entity, a member of a business company could be an individual as well. Therefore both areas of income taxation – personal and corporate income tax – are included into the comparison in this diploma thesis.

After the introduction the thesis is divided into seven chapters. The first one describes the most important characteristics of particular business companies as they are stipulated in Act No. 513/1991 Coll., Commercial Code, as amended. I have introduced the key features of the most known legal forms of business companies – general partnership, limited partnership, limited liability company and joint stock company. The legal regulation of these types of business companies is similar in the Czech and Slovak Republic.

The second chapter deals with legal regulation of both personal and corporate income taxation in the Czech Republic – according to Act No 586/1992 Coll., Act on Income Taxes, as amended (hereinafter “Act on Income Taxes”). The chapter is subdivided in compliance with the particular sections of the Act on Income Taxes, i.e. describes the personal income tax specifications at first, then corporate income tax specifications and ends with description of provisions common for both kinds of the tax.

Legislation special for the system of income taxation of personal (general partnership), “hybrid” (limited partnership) and capital (limited liability company and joint stock company) companies and their members in the Czech Republic is described in the third chapter.

The fourth chapter of this thesis concentrates on basic principles of international taxation, i.e. principles set in the OECD Model Tax Convention on Income and on Capital and particular methods avoiding double taxation of income. Then it describes

general system of taxation of Czech tax residents' income arising from the sources abroad and Czech tax non-residents' income arising from the sources located in the Czech Republic. Special attention is paid to the international taxation of income of particular legal forms of the personal and capital business companies and their members.

Slovak personal and corporate income tax legislation is examined in the fifth chapter while the stress is put on the main differences between Czech and Slovak legal regulation of income taxation. At first the general system of income taxation is analyzed and then the taxation of income of personal and capital business companies and their members is more detailed. Basic principles of the international taxation according to Slovak legislation are also mentioned.

The sixth chapter focuses on *de lege ferenda* proposals in the field of income taxation, whereas the discussed topics are possible advantages of business companies in the legal form of *Societas Europaea*, new amendment to the Czech Act on Income Taxes effective as of 1st January 2011, Czech tax reform based on three pillars and proposed new income tax act. Changes of Slovak legislation that should become effective as of 1st January 2011 are mentioned as well.

The conclusion in the seventh chapter resumes all the mentioned rules applied in income taxation in the Czech and Slovak Republic into a practical example of tax impacts of Czech and Slovak income tax legislation on the income of particular legal forms of the business companies and their members with respect to the fact where the business company is considered a resident for income tax purposes.

Keywords

Income tax, international taxation