Abstract

This thesis is dealing with the corporation income tax base in picked countries of the European Union. Countinuous efforts by the European Union on the harmonization of direct taxation and efforts to unify the rules for determining the corporation income tax base fails. The purpose of this thesis is to show the extent to which the legislation of selected countries is similar and different. The main goal of this thesis it to compare the legislation of the corporation income tax base in Czech Republic, Cyprus and Austria.

This thesis is composed of five chapters. First chapter contains definitions of terms used in this thesis. The second to the fourth chapter deals with the tax base legislation in selected countries. Every from these chapters describes legislation of the crucial components which effects the corporation tax base. Every chapter is subdivided into two subchapters. The first sub-chapter focuses on the tax payers.The second sub-chapter describes the corporation tax base and components affecting its structure. The second sub-chapter is devided into four parts. The first part describes legislation of corporation's income. There is mentioned taxable income, income tax excemptions and income which is not taxed within corporation income tax. The second part deals with expenses. There is described which expenses are tax-deductible and tax-inefficient. The third part takes a closer look to rules for tax depreciation as one of the tax-deductible expense. It shows depreciable assets and depreciation methods. The last part lists some items reducing the tax base. Among such items belongs for example the tax loss. In the last chapter I compare corporation tax base legislation rules among picked coutries. It shows the differences and similarities in tax base legislation adjustment. At the same time I try to draw up the advantages and disadvantages of different legal rules.

It turned out that the national legislation varies greatly between countries. Rules are more similar to the Czech Republic and Austria, than it is in relation to Cyprus. However they differ from each other a lot anyway. From the analysis came out that the most attractive tax regime is in Cyprus, thanks to simple legislation without many exceptions, a significant number of tax-deductible expenditures and the possibility of tax losses transfer within the so-called "group".