

18. Summary

The main objective of my thesis is a comparison between the value added tax (thereinafter VAT) legislation in the Czech Republic and the Slovak Republic. In both states the new act came into effect after joining the European Union because of the harmonization process on communitarian law level.

The main reason for VAT harmonization in the European Union is to eliminate barriers to international trade in the European Union. The tax harmonization is used as a tool to reach the European Union goals, for example single market. The tax harmonization means the process of approximation of national tax systems based on common rules. Council Directive 2006/112/EEC (thereinafter the Directive) is a chief representative of the communitarian law regarding the VAT harmonization.

In the Czech Republic and in the Slovak Republic as well, the VAT system has been established since 1993, when the turnover tax was replaced and when it was necessary to approach Western European economics. Until 1st May 2004 the VAT was controlled according to Act Law Nr. 558/1992 in the Czech Republic and it has been novelized approximately 50 times, and in the Slovak Republic the VAT is controlled according to Act Law Nr. 224/2004.

I mention a lot of judicative decisions of the Court of Justice of the European Union and of the Supreme Administrative Court of the Czech Republic, which help to all subjects apply the law and interpret incurred problems with regard to the Community Law.

With respect to above mentioned facts, both compared VAT acts are very similar as both countries follow the Directive.

High-level similarity of VAT acts can be seen particularly in definition of VAT construction elements such as a tax subject, a tax object, a tax base. The mechanisms how the VAT works are similar in both countries, too. I can find some differences in tax administration and in the act arrangement. The Slovak Act is more concise, and in my opinion more transparent and

clear, because it has only about 88 articles. The Czech Act tries to detach the substantive and procedural regulation, but it sometimes causes text disorganization.

The thesis has been written in accordance with legislation effective on 1st November 2012.