

Summary

This thesis deals with the issue of international double taxation of income and capital and methods for its solution. International double taxation is an issue which states began to deal with in the late 19th century. This interest intensified after the First World War when also the League of Nations (predecessor of the United Nations) began to deal with international double taxation. Most attention the phenomenon of double taxation of income and capital with an international element, however, started to receive after World War II as a result of post-war development of international relations, trade, communication technologies and increasing globalization.

In today's globalized world where the economies of nations are highly interconnected through economic activities of their members and activities of economic entities often extends beyond the boundaries of the states of their residence the issue of double taxation is very frequent and constantly becoming increasingly important.

When the economic activity of the taxpayer exceeds the boundaries of the state of his residency, which is already quite common, such entity will be subject to the tax jurisdiction of several states whose tax laws are generally not compatible and vice versa conflict with each other. The collision without the intervention of the states concerned often leads to double taxation of income derived from a non-resident state of taxpayer. Double taxation of income is negative, of course, from the perspective of taxpayers, but also from the perspective of the states, because it leads to braking development of the economy and its closing. These are the reasons why states are trying to defend international double taxation, if possible, or at least mitigate, through national laws and international treaties. Another problem of international taxation of income which is subject to state efforts to eliminate is tax evasion.

This thesis mainly describes the phenomenon of double taxation, its origin, causes and consequences, discusses methods for its avoidance or alleviation and means through which states apply these methods. The main theme of this thesis are international treaties on avoidance of double taxation of income and capital, history of their conclusion and development of the most common contractual models, analyze the content of these models and issues of interpretation and application of contractual provisions. This thesis also contains chapters dealing with the issue of double taxation

in the context of the Czech Republic, conclusion and importance of international treaties in this area and also with national legislation contained in the Income Tax Act.