

Diploma Thesis Abstract

This thesis deals with a new institute in the financial law – an unreliable value added tax payor. This institute was established as one of the means of improving tax collection and is closely related to the liability of a third party – the payor of value added tax; the recipient of taxable transaction. Listing tax payors in a list of unreliable payors caters to the potential guarantor, but this is at the expense of increasing the administrative burden since the recipient of taxable transactions has to consult the list of tax payors before making any transaction and, as the case may be, enter into a contract in order to gain protection in the event that the provider of taxable transaction is included in the list of unreliable payors. The designation of a value added tax payor as an unreliable payor is not stipulated by law quite clearly, but it is based on an internal regulation known as the Information of the General Tax Directorate. The protection from tax evasion in the form of blacklisting business entities – in the records of unreliable payors – may represent an administrative burden that is too onerous for entrepreneurs as well as substantial financial costs associated with the entire unreliable payor agendas. In all probability, it is also contrary to Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax and it will have to be changed *de lege ferenda* in terms of both procedural and substantive law. Liability based on irrefutable presumptions is not fair to the recipients of taxable transactions. The law gives public authorities a multitude of other options, including the criminal law procedure against persons attempting to dodge taxes.