

Income as a subject of taxation

Abstract

This thesis deals with defining income as a subject of tax. The concept of income is not clearly defined anywhere, so this thesis tries to look into the very essence of this concept and try not to define it precisely, but to find its essential features. This thesis offers multiple perspectives on the same issue, while not only looking income relevant for tax purposes, but the very essence of this concept. It considers income from an economic point of view, from the point of view of the Income Tax Act and, last but not least, from the point of view of the jurisprudence of the Supreme Administrative Court and the Constitutional Court. Along with these points of view, it describes related issues such as registration of income for tax purposes or the development of income tax over time. The thesis includes practical examples of individual types of income, which illustrate the issue in more detail. The thesis aims to find the essential features of income, to think about what can be considered as income, what constitutes it and how these findings correspond with the tax system in the Czech Republic. It is true that not every transaction that can be classified as income is subject to tax and not every income that is subject to tax must necessarily be subject to tax, as our legal system allows income to be exempted from tax in specifically defined cases. The thesis takes all of this into account when analyzing income and reflects the findings gained with the current legislation.

A separate chapter is dedicated to a specific type of income, namely non-monetary income. The Income Tax Act states that income can be both monetary and non-monetary, and furthermore specific types of non-monetary income can be found in individual provisions of the law. This chapter aims to provide an overview of the issue of non-monetary income, including the method of its valuation. For a better understanding, it provides practical examples of non-monetary income that can be encountered in practice.

The insights gained regarding the essential features by means of which income can be used to define income and the ways in which the concept of income can be viewed are summarized in the final chapter.

Keywords: income tax, subject of tax, non-monetary income