

International and intranational aspects of the double taxation

Abstract

This diploma thesis describes history (the recent one at least) of the need to regulate the taxation of international entities operating in more than one tax jurisdiction, its origins and the early efforts to create tax treaties preventing double taxation and the history of first internationally operating companies.

It also compares tax treaties concluded between Czech Republic, Liechtenstein and Ireland, because there is a long-time gap between ratification of each of them, and thus we can observe, how did the Czech base tax treaty model change for this specific type of treaties during those years. The diploma thesis also summarizes differences between the treaties, provides a wider context regarding their basis, describes the specifics of Czech base model and evaluates the distinctions from the model treaties.

Finally, the diploma thesis elaborates on the overall state of international taxation and especially in the Czech Republic, particularly in relation to its membership in European Union, in the BEPS initiative within the OECD (and Czech participation in it), and assesses Czech Republic's current condition regarding the economic state of the country, its most important trading partners and the challenges arising from the technological progress, the thesis also identifies the most important issues to deal with for the Czech Republic and suggests both short- and long-term solutions of the extremely difficult period for the Czech public finances, in which it currently finds itself, as well as a balanced solution for international taxation suitable for the Czech Republic of present and future, which means, however, a great shift from current place of residency or effective management based taxation.

Key words: International taxation, treaty for the avoidance of double taxation, Czech Republic, Liechtenstein, Ireland, BEPS,