

# **Cross-border aspects of corporate taxation**

## **Abstract**

This thesis addresses the key challenges, institutions, and current challenges in the cross-border taxation of concerns, which are better known as multinational companies. Multinational companies are business associations that must achieve the quality to be described as concerns, which are the focus of this thesis. The essential aspects in the cross-border taxation of a concern are the existence of double taxation or non-taxation, the transfer pricing and, finally, the new institutes that are aimed at reacting to the most recent and unsolved issues in this area. These are still numerous, but the efforts of countries and multinational organisations to tackle them are very strong.

Specifically, this thesis deals with the essential instruments in the field of international taxation, such as double taxation treaties, transfer pricing, which can be described as traditional institutes, but also new institutes in the field of international taxation, which are BEPS action plans (Pillar I and Pillar II), MLI, EU directives, which compete with the basic and new instruments. The BEPS Action Plans and their impact are continuously reflected in each chapter of this thesis. The thesis also deals with tax competition, coordination, and harmonisation relationships in the international context and specifically in the EU. Although the thesis deals with international aspects, it demonstrates the implementation of international standards on the Czech legislation, in particular on the Income Tax Act.

In the introduction I ask research questions for subsequent analysis. I divide the actual text of the thesis into four chapters, which are divided into related subchapters. In particular, the issues of proportionality of the regulation, its effectiveness, and its evolution. In the first chapter, I discuss the sub-issues and essential institutes in international taxation in general with a fragmentary analysis of the relevance for multinational companies and the differences in the concept of concerns in tax and commercial law. In the second chapter I discuss in detail double

taxation treaties, their relevance for concerns, and their relationship to Czech and European legislation, including the relevance of European legislation governing international taxation and concerns. I analyse in more detail the two most important model treaties - the OECD model treaty and the UN model treaty, in terms of their origin, application, amendments and, of course, their relevance for international concerns. The third chapter analyses the meaning and system of transfer pricing. The fourth chapter analyses the more recent institutes that respond to imperfections in the essential institutes of international taxation - double taxation treaties and transfer pricing. These institutes are, for example, country-by-country reporting and reports, measures to avoid hybrid mismatches, and the balancing tax.