

Customs duty and its functions in today's European Union

Abstract

This thesis focuses on customs duty and its functions from the perspective of today's European Union. The EU is a major player in the field of international trade, which has undergone a number of significant changes in recent decades. In particular, the efforts to liberalize as much trade as possible and to remove mainly customs barriers have raised questions whether customs duty has lost its functions and whether it is therefore time to declare it obsolete. However, in recent years, some countries have again turned to more protectionist tendencies in order to protect their domestic industries, as unfair practices have not disappeared from international trade. From this point of view, it is possible to ask whether, on the contrary, customs duties are underused. The aim of this thesis is to answer these questions by analyzing the various most important functions of customs duties and to determine whether customs duties could be abolished or whether such conclusions are still premature.

In order to better understand the institute of customs duty, the introductory chapters define the concept, lists its structural elements and individual types, as well as the sources of customs law. The third chapter then describes the development of customs duty in the modern history of the Czech Republic in order to outline the changes in its functions throughout time. The final chapters are the main part of the thesis containing the analysis itself, its evaluation and the drawing of conclusions.

Within this analysis, the fiscal, price-setting, trade policy and negotiation functions and the protective function are described in detail, key legal regulations are analyzed and it is shown how the functions of customs duty manifest themselves in today's EU. It is concluded that customs duties still fulfil most of their functions, but it is necessary to approach them with caution. Excessive liberalization can lead to damage to the internal market, as indicated, for example, by the effects of exempting goods up to a price of €150. Overprotection can have a similar effect, e.g. due to the increase in the price of production inputs or possible retaliation from third countries. Furthermore, fiscal function no longer fulfill its purpose, as the desire to maximize revenue from customs duties lead to a reduction in other revenues, and customs revenues can not compensate for this reduction. In the EU, therefore, the time has not yet come to remove the customs duties, but neither is it appropriate to overuse it for reasons of protection and to seek additional revenue for the EU budget.

Key words: customs duties, functions of customs duties, European Union