

**MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE
STATE UNIVERSITY «ZHYTOMYR POLYTECHNIC»**

Qualification scientific work
Manuscript copyright

ISLAMLI JEYHUN

UDC 336.22:005.591.4

**DISSERTATION
STRATEGIC PRIORITIES FOR THE DEVELOPMENT
OF TAX SYSTEMS AND TAX ACCOUNTING IN EU COUNTRIES**

071 Accounting and Taxation
07 Management and Administration

Filed for a scientific degree
Doctor of Philosophy

The dissertation contains the results of own research. The ideas, results, and texts of other authors are referenced _____ **J. ISLAMLI**

Scientific Supervisor:
Hrabchuk Iryna Leonidivna
Doctor of Economics, Docent

Zhytomyr – 2024

ABSTRACT

ISLAMLI JEYHUN. STRATEGIC PRIORITIES FOR THE DEVELOPMENT OF TAX SYSTEMS AND TAX ACCOUNTING IN EU COUNTRIES. – Manuscript.

Dissertation for the degree of Doctor of Philosophy in the specialty 071 «Accounting and Taxation». State University "Zhytomyr Polytechnic", Zhytomyr, 2024.

The dissertation addresses the following task: substantiation of theoretical and methodological provisions as well as scientific and practical recommendations on strategic priorities for developing tax systems and tax accounting of the EU countries.

The *theoretical section of the dissertation discusses* the economic essence of taxes, the specifics of the formation and functioning of tax systems; reveals the evolutionary aspect of the development of tax systems and tax accounting; substantiates the institutional and legal foundations of the tax systems of the EU countries.

Arguments are laid down that an effective tax system is a key component of economic stability and development of a country, as it provides budget revenues, promotes social justice, and stimulates economic growth. It is emphasised that the tax system should have the ability to adapt to changes in the economy and society, as well as to respond quickly to economic crises and other unforeseen situations. Adherence to taxation principles, such as universality, fairness, predictability, and convenience of payment, helps achieve tax policy objectives, including ensuring continued budget revenues, redistributing revenues, stimulating economic growth, controlling inflation, and supporting environmental initiatives.

It is emphasised that the development of tax systems and tax accounting is a complex and multifaceted process that reflects changes in the economic, social, and political conditions of the functioning of states over a long historical period. It is also emphasised that the evolution of tax systems and tax accounting is a continuous process aimed at improving state regulation mechanisms and increasing fiscal policy

efficiency, which contributes to achieving sustainable development goals at both the national and global levels. It is substantiated that the evolution of tax systems and tax accounting has a significant impact on the economic development, social stability, and competitiveness of countries on a global scale.

It has been established that the tax systems of the European Union countries are of key importance for financing public spending, maintaining social stability and economic development. The tax systems of each member country are based on pan-European principles, but they are developed taking into account national priorities and economic conditions. Harmonisation of tax systems in the EU aims at aligning tax legislation, especially in the area of indirect taxes, which helps to avoid tax imbalances. However, full unification may face some resistance, as high-spending countries could lose part of their budget revenues. It has been substantiated that the institutional foundations of taxation ensure the effective functioning of tax systems through a range of mechanisms, including the legislative framework, legal norms, as well as principles of fairness, transparency, and accountability.

The *analytical part of the study* investigates the state of tax systems and tax accounting of individual EU states; identifies priorities for the development of tax systems of EU countries in the context of the implementation of the Sustainable Development Goals (SDGs); establishes the role of taxation in stimulating economic development and increasing the competitiveness of EU countries.

It is emphasised that the Fiscalis program plays an important role in the cooperation of the tax authorities of the member states of the European Union, and Regulation (EU) 2021/847103 is a key document that updated the previous regulation and proposed new mechanisms to improve tax administration and cooperation of tax authorities. It is argued that the tax system efficiency of the EU countries depends on the harmonisation of legislation, international cooperation, effective tax administration, and a reliable judicial system, which ensure the financial stability of states, economic growth, and social development. There is a tendency to harmonise tax rules within the EU to ensure the transparency and competitiveness of the economies of the EU member states, as well as the tendency to establish mechanisms to avoid

double taxation, provide tax incentives, and help the integration of the EU countries into the global economy.

It is emphasised that the growing attention to sustainable development stimulates the EU countries to introduce the so-called "environmental taxes", which become a key tool in the fight against climate change, contribute to green economy and reduce the negative impact on the environment. Taxes on_{CO2} emissions and other greenhouse gases help control air pollution by improving air quality. It is substantiated that the European Green Deal is an exemplary strategy for integrating tax policy with environmental goals. This plan involves introducing new tax instruments to support the SDGs, such as emission taxes, as well as the gradual phasing out of fossil fuel subsidies.

The efficiency of various types of taxes in the EU has been assessed. Indirect taxes, such as VAT, customs duties, and excise taxes, have been found to constitute a significant part of the revenues of the EU's common budget. It is emphasised that direct taxes, in particular on personal income, contribute to the realisation of the principle of social justice through the tools of progressive taxation, and transparent and understandable administration. It has been established that the tax structure in the EU is balanced and effective, ensuring stable budget revenues, social justice in administration and distribution, and support for economic growth in the member states.

The *project part of the* study describes the prospects for harmonisation and convergence of the tax systems of the EU countries; formulates proposals for improving tax accounting as a mechanism for achieving financial transparency; reveals the potential for digitalisation of tax systems and tax administration in the EU. Personal contribution to scientific papers published in co-authorship is given separately in the list of publications.

It has been emphasised that the harmonisation of tax systems in the European Union countries is a key condition for the formation of a single market and a unified economy. It is substantiated that differences in tax systems hinder convergence and economic integration in the EU, especially against the background of increased market

competition. It is emphasised that solving these problems is possible by harmonising the EU tax policy, taking into account the national characteristics of the member states.

It is argued that tax accounting in the European Union is an important element of the financial system, which plays an important role in ensuring transparency, accuracy of calculation and fair distribution of tax liabilities. It is proved that its main goal is to promote transparency of financial information and proper control over budget revenues, and to minimize corruption risks and tax evasion. It is substantiated that the harmonisation of tax standards and procedures within the EU, including initiatives such as the CCCTB and the new BEFIT concept, reflects the EU's desire to adapt the tax system to modern challenges, including the digitalisation of the economy. The implementation of standards such as CbCR allows for increased financial transparency and an effective fight against aggressive tax planning.

It is substantiated that in the current global economic context, tax systems play a key role in financing public expenditures. It is emphasised that in order to reduce the tax burden and improve tax administration, it is important to integrate digital technologies into all aspects of tax processes. Digitalisation can significantly simplify procedures for taxpayers, improve interaction with tax authorities and reduce administrative costs. At the same time, it is important to ensure that services are inclusive for those who do not have access to digital technologies. It has been established that the adaptation of tax systems to new digital realities is necessary to ensure the effective fulfillment of tax obligations, as without such changes, issues with tax collection and increased administrative costs may arise. Technologies such as artificial intelligence, APIs, virtual assistants and electronic platforms are currently being actively implemented by the EU tax authorities to improve accuracy of calculations, monitor tax evasion, and automate tax processes.

Keywords: tax system, tax accounting, fiscal policy, European Union, tax harmonisation, tax, tax base, tax transparency, tax administration, digitalisation of tax processes, EU tax standards.

АНОТАЦІЯ

ІСЛАМЛІ ДЖЕЙХУН. СТРАТЕГІЧНІ ПРІОРИТЕТИ РОЗВИТКУ ПОДАТКОВИХ СИСТЕМ ТА ПОДАТКОВОГО ОБЛІКУ В КРАЇНАХ ЄС. -
Рукопис.

Дисертація на здобуття наукового ступеня доктора філософії за спеціальністю 071 «Облік і оподаткування». Державний університет «Житомирська політехніка», Житомир, 2024.

Дисертація присвячена розв'язанню важливого наукового завдання – обґрунтуванню теоретико-методологічних положень та науково-практичних рекомендацій щодо стратегічних пріоритетів розвитку податкових систем та податкового обліку країн ЄС.

У теоретичному розділі дисертації розглянуто економічну сутність податків, особливості формування та функціонування податкових систем; розкрито еволюційний аспект розвитку податкових систем та податкового обліку; обґрунтовано інституційно-правові засади податкових систем країн ЄС.

Аргументовано, що ефективна податкова система є ключовою складовою економічної стабільності та розвитку країни, оскільки забезпечує надходження до бюджету, сприяє соціальній справедливості та стимулює економічне зростання. Підкреслено, що податкова система повинна мати здатність адаптуватися до змін в економіці та суспільстві, а також швидко реагувати на економічні кризи та інші непередбачувані ситуації. Дотримання принципів оподаткування, таких як універсальність, справедливість, передбачуваність та зручність сплати, сприяє досягненню цілей податкової політики, зокрема забезпеченню стабільних надходжень до бюджету, перерозподілу доходів, стимулюванню економічного зростання, стримуванню інфляції та підтримці екологічних ініціатив.

Підкреслено, що розвиток податкових систем і податкового обліку є складним і багатогранним процесом, який відображає зміни економічних, соціальних і політичних умов функціонування держав протягом тривалого

історичного періоду. Також підкреслено, що еволюція податкових систем і податкового обліку є безперервним процесом, спрямованим на вдосконалення механізмів державного регулювання та підвищення ефективності фіскальної політики, що сприяє досягненню цілей сталого розвитку як на національному, так і на глобальному рівнях. Обґрунтовано, що еволюція податкових систем та податкового обліку має значний вплив на економічний розвиток, соціальну стабільність та конкурентоспроможність країн у глобальному масштабі.

Встановлено, що податкові системи країн Європейського Союзу мають ключове значення для фінансування державних видатків, підтримки соціальної стабільності та економічного розвитку. Податкові системи кожної країни-члена базуються на загальноєвропейських принципах, але розвиваються з урахуванням національних пріоритетів та економічних умов. Гармонізація податкових систем в ЄС спрямована на узгодження податкового законодавства, особливо у сфері непрямих податків, що допомагає уникнути податкових дисбалансів. Однак повна уніфікація може зіткнутися з певним опором, оскільки країни з високими витратами можуть втратити частину своїх бюджетних надходжень. Обґрунтовано, що інституційні засади оподаткування забезпечують ефективне функціонування податкових систем через низку механізмів, серед яких законодавча база, правові норми, а також принципи справедливості, прозорості та підзвітності.

В аналітичній частині дослідження досліджено стан податкових систем та податкового обліку окремих країн ЄС; визначено пріоритети розвитку податкових систем країн ЄС у контексті реалізації Цілей сталого розвитку (ЦСР); встановлено роль оподаткування у стимулюванні економічного розвитку та підвищенні конкурентоспроможності країн ЄС.

Підкреслено, що програма *Fiscalis* відіграє важливу роль у співпраці податкових органів країн-членів Європейського Союзу, а Регламент (ЄС) 2021/847103 є ключовим документом, який оновив попередній регламент і запропонував нові механізми для вдосконалення податкового адміністрування та співпраці податкових органів. Стверджується, що ефективність податкових

систем країн ЄС залежить від гармонізації законодавства, міжнародного співробітництва, ефективного податкового адміністрування та надійної судової системи, які забезпечують фінансову стабільність держав, економічне зростання та соціальний розвиток. Спостерігається тенденція до гармонізації податкових правил у межах ЄС з метою забезпечення прозорості та конкурентоспроможності економік країн-членів ЄС, а також тенденція до створення механізмів уникнення подвійного оподаткування, надання податкових пільг та сприяння інтеграції країн ЄС у світову економіку.

Підкреслюється, що зростаюча увага до сталого розвитку стимулює країни ЄС запроваджувати так звані «екологічні податки», які стають ключовим інструментом у боротьбі зі зміною клімату, сприяють розвитку «зеленої» економіки та зменшенню негативного впливу на довкілля. Податки на викиди CO₂ та інших парникових газів допомагають контролювати забруднення повітря, покращуючи його якість. Обґрунтовано, що Європейський зелений курс є зразковою стратегією інтеграції податкової політики з екологічними цілями. Цей план передбачає запровадження нових податкових інструментів для підтримки ЦСР, таких як податки на викиди, а також поступову відмову від субсидій на викопне паливо.

Було проведено оцінку ефективності різних видів податків в ЄС. Виявлено, що непрямі податки, такі як ПДВ, митні збори та акцизи, становлять значну частину доходів спільного бюджету ЄС. Підкреслено, що прямі податки, зокрема на доходи фізичних осіб, сприяють реалізації принципу соціальної справедливості через інструменти прогресивного оподаткування, прозорого та зрозумілого адміністрування. Встановлено, що податкова структура в ЄС є збалансованою та ефективною, забезпечуючи стабільні бюджетні надходження, соціальну справедливість в адмініструванні та розподілі, а також підтримку економічного зростання в державах-членах.

У проєктній частині дослідження описано перспективи гармонізації та конвергенції податкових систем країн ЄС; сформульовано пропозиції щодо вдосконалення податкового обліку як механізму досягнення фінансової

прозорості; розкрито потенціал діджиталізації податкових систем та податкового адміністрування в ЄС. Особистий внесок у наукових працях, опублікованих у співавторстві, наведено окремо у списку публікацій.

Підкреслено, що гармонізація податкових систем країн Європейського Союзу є ключовою умовою формування єдиного ринку та єдиної економіки. Обґрунтовано, що відмінності в податкових системах перешкоджають конвергенції та економічній інтеграції в ЄС, особливо на тлі посилення ринкової конкуренції. Підкреслено, що вирішення цих проблем можливе шляхом гармонізації податкової політики ЄС з урахуванням національних особливостей країн-членів.

Аргументовано, що податковий облік у Європейському Союзі є важливим елементом фінансової системи, який відіграє важливу роль у забезпеченні прозорості, точності обчислення та справедливого розподілу податкових зобов'язань. Доведено, що його основною метою є сприяння прозорості фінансової інформації та належному контролю за надходженнями до бюджету, а також мінімізація корупційних ризиків та ухилення від сплати податків. Обґрунтовано, що гармонізація податкових стандартів і процедур у межах ЄС, включаючи такі ініціативи, як СССТВ та нова концепція BEFIT, відображає прагнення ЄС адаптувати податкову систему до сучасних викликів, у тому числі до цифровізації економіки. Впровадження таких стандартів, як CbCR, дозволяє підвищити фінансову прозорість та ефективно боротися з агресивним податковим плануванням.

Обґрунтовано, що в сучасному глобальному економічному контексті податкові системи відіграють ключову роль у фінансуванні державних видатків. Підкреслено, що для зменшення податкового навантаження та покращення податкового адміністрування важливо інтегрувати цифрові технології в усі аспекти податкових процесів. Цифровізація може значно спростити процедури для платників податків, покращити взаємодію з податковими органами та зменшити адміністративні витрати. Водночас важливо забезпечити доступність послуг для тих, хто не має доступу до цифрових технологій. Встановлено, що

адаптація податкових систем до нових цифрових реалій необхідна для забезпечення ефективного виконання податкових зобов'язань, оскільки без таких змін можуть виникнути проблеми зі збором податків та збільшенням адміністративних витрат. Такі технології, як штучний інтелект, API, віртуальні помічники та електронні платформи наразі активно впроваджуються податковими органами ЄС для підвищення точності розрахунків, моніторингу ухилення від сплати податків та автоматизації податкових процесів.

Ключові слова: податкова система, податковий облік, фіскальна політика, Європейський Союз, податкова гармонізація, податок, податкова база, податкова прозорість, податкове адміністрування, діджиталізація податкових процесів, податкові стандарти ЄС.

List of publications on the research subject

1. Scientific works in which the main scientific results of the dissertation are published:

1.1. Articles in scientific professional journals of Ukraine (category B):

1. Islamli J. Priorities for the development of EU tax systems in the context of sustainable development goals [In Ukrainian]. *Economics, Management and Administration*. 2024. 4(110), 109–115. [https://doi.org/10.26642/ema-2024-4\(110\)-109-115](https://doi.org/10.26642/ema-2024-4(110)-109-115).

2. Islamli J. State analysis of tax systems and tax accounting of individual EU countries. *Public Policy and Accounting*. 2024. 1(9), 39–51. URL.: [https://doi.org/10.26642/ppa-2024-1\(9\)-39-51](https://doi.org/10.26642/ppa-2024-1(9)-39-51)

3 Islamli J. Prospects for harmonisation and convergence of tax systems of the EU countries. *Problems of theory and methodology of accounting, control and analysis*. 3(59), 57–65. URL.: [https://doi.org/10.26642/pbo-2024-3\(59\)-57-65](https://doi.org/10.26642/pbo-2024-3(59)-57-65)

2. Scientific works certifying the approbation of the dissertation materials:

4. Islamli J. Economic nature of taxes and peculiarities of functioning of tax systems. National Security in Times of War, Post-War Reconstruction, and Global Challenges of the 21st Century: Collection of Abstracts of the All-Ukrainian Scientific-Practical Conference with International Participation, December 12-13, 2024. Zhytomyr: Zhytomyr Polytechnic, 2024. P. 759-762.

5. Islamli J. Analysis of the tax system and tax accounting in Finland. Legal Policy of Ukraine: History and Modernity: Materials of the V All-Ukrainian Scientific-Practical Seminar (Zhytomyr, October 10, 2024). Zhytomyr: Zhytomyr Polytechnic, 2024. P. 214-217.

6. Islamli J. Peculiarities of tax administration in the EU. Abstracts of the All-Ukrainian Scientific-Practical Online Conference of Graduate Students, Young Scientists, and Students Dedicated to Science Day. Zhytomyr: "Zhytomyr Polytechnic", 2024. P. 706.

CONTENTS

LIST OF ABBREVIATIONS.....	13
INTRODUCTION.....	14
CHAPTER 1. THEORETICAL BASIS OF THE DEVELOPMENT OF TAX SYSTEMS AND TAX ACCOUNTING	21
1.1. Economic essence of taxes, specifics of the formation and functioning of tax systems.....	21
1.2. Evolutionary aspect of tax systems and tax accounting	31
1.3. Institutional and legal framework for the functioning of tax systems in EU countries	45
Conclusions to Chapter 1.....	57
CHAPTER 2. CURRENT STATE AND STRATEGIC PRIORITIES FOR THE DEVELOPMENT OF TAX SYSTEMS AND TAX ACCOUNTING IN THE EU COUNTRIES	60
2.1. Analysis of the state of tax systems and tax accounting of individual EU countries	60
2.2. Priorities for the development of EU tax systems in the context of the Sustainable Development Goals	83
2.3. The role of taxation in stimulating economic development and increasing the competitiveness of EU countries	94
Conclusions to Chapter 2.....	105
CHAPTER 3. ADAPTING THE TAX SYSTEMS OF THE EU COUNTRIES TO THE CHALLENGES OF GLOBALISATION AND ECONOMIC INTEGRATION	108
3.1. Prospects for harmonisation and convergence of tax systems of the EU countries	108
3.2. Improving tax accounting as a mechanism for achieving fiscal transparency	123
Conclusions to Chapter 3.....	131
CONCLUSIONS	134
REFERENCES	139
APPENDICES	

LIST OF ABBREVIATIONS

VAT	– Value Added Tax
PIT	– Personal Income Tax
USC	– Unified Social Contribution
NAS	– National Accounting Standards
OECD	– Organization for Economic Co-operation and Development
IFRS	– International Financial Reporting Standards
SDGs	– Sustainable Development Goals
Big Data	– a large amount of data
ESFS	– European System of Financial Supervision
ESRB	– European Systemic Risk Board
GIR	– GloBE Information Return
SAF-T	– Standard Audit File for Tax
Vero	– Finnish Tax Administration
DTT	– Double Taxation Treaty
CSRD	– Corporate Sustainability Reporting Directive
ESRS	– European Sustainability Reporting Standards
EGD	– European Green Deal
CBAM	– Carbon Border Adjustment Mechanism
ESA	– European System of Accounts
Befit	– Business in Europe: Framework for Income Taxation
ATAD	– Anti-Tax Avoidance Directive
SME	– Small and Medium-sized Enterprises
BEPS	– BEPS Action Plan (Base Erosion and Profit Shifting)
CbCR	– Country-by-Country Reporting
CCCTB	– Common Consolidated Corporate Tax Base
MNEs	– Multinational Enterprises

INTRODUCTION

Relevance of the topic. Modern economic processes in the countries of the European Union are characterised by a high degree of globalisation, digitalisation, interpenetration of economies and the formation of a single market, which creates new challenges for the functioning of tax systems and tax accounting. Strengthening international competition requires countries to adapt tax mechanisms to attract investment, support entrepreneurship, and stimulate innovation. The growing role of the digital economy makes it necessary to update approaches to taxation, in particular in the aspects of accounting for e-commerce, digital services, and data use. Also important is the issue of combating tax evasion, in particular through multinational corporations, which requires EU countries to implement more transparent and unified tax accounting rules. In addition, the changing social and economic priorities of countries associated with sustainable development and the energy transition require the transformation of tax systems to support these processes.

In addition to the challenges caused by globalisation and digitalisation, an important factor for the development of tax systems in the EU countries is the change in socio-economic models of progress as a result of demographic processes, in particular the aging of the population, which challenges states to ensure the stability of revenues to the budgets necessary to finance social programs and pension payments. Strengthening EU economic integration and new security challenges necessitate the formation of adaptive tax systems that are able to respond quickly to economic crises or external shocks. Given the urgency of the issues outlined, the study of the strategic priorities for the development of tax systems and tax accounting is critical for the formation of efficient economic policies that will ensure long-term competitiveness and sustainability of the EU countries.

The issue of development of tax systems and tax accounting is not new in the scientific literature. Among foreign researchers, attention is drawn to the work of J. Keynes, J. Arnold, R. Teaser, G. Hodgson, I. Wairedu, A. Osei Agemanga, S. Agbadzidah, K. Tiwari, M. Khan et al. Among the Ukrainian researchers, aspects of

the formation and functioning of tax systems, as well as features of tax accounting in the conditions of digitalisation of the economy were studied by V. Bodrov, N. Syniutka, N. Hlebova, O. Harkushenko, O. Hryhoriev, N. Petryshyn, A. Todoshchuk, O. Shapovalova, T. Medynska, N. Nohinova, V. Pukhalskyi, etc. Systematic and structural analysis of taxation in the EU countries was carried out by A. Vorontsova, Yu. Demkiv, M. Martyshko, L. Zakharkina, V. Novikova, K. Kanonishena-Kovalenko, T. Ovodenko, etc. Despite the significant amount of research of the functioning of tax systems and the implementation of tax accounting in the EU, the issue of improving taxation systems and introducing new tax accounting tools in the EU countries that meet the requirements of digitalisation of the economy and globalisation of financial flows is currently being actualised.

Connection of this work with scientific programs, plans, and subjects. The dissertation is performed in accordance with the research plan of the State University "Zhytomyr Polytechnic".

The purpose and objectives of the study. The purpose of the study is to substantiate the theoretical and methodological provisions, and scientific and practical recommendations on the priorities for the development of tax systems and tax accounting in the EU countries.

The objectives of the study are as follows:

- to substantiate theoretically the economic content of taxes, and the specifics of the formation and functioning of tax systems;
- to reveal the evolutionary aspect of the development of tax systems and tax accounting;
- to justify the institutional and legal framework for the functioning of the tax systems of the EU countries;
- to study the current state of tax systems and tax accounting of individual EU countries;
- to identify priorities for the development of the tax systems of the EU countries in the context of the Sustainable Development Goals implementation;

- to establish the role of taxation in stimulating economic development and increasing the competitiveness of the EU countries;
- to describe the prospects for harmonisation and convergence of the tax systems of the EU countries;
- to develop proposals for improving tax accounting as a mechanism for achieving financial transparency;
- to reveal the potential of digitalising tax systems and tax administration in the EU.

The object of the study is the process of development of tax systems and tax accounting in the EU countries.

The subject of the study is the theoretical provisions, scientific, methodological, and applied aspects of the development of tax systems and tax accounting of the EU countries.

Research methods. The study is carried out according to the general methodological scheme of the systems approach using general scientific and specific research methods. In particular, the substantiation of theoretical provisions, scientific, methodological, and applied aspects of the functioning of tax systems, as well as the implementation of tax accounting in the EU was carried out using such methods as: structural analysis – to determine the main components of the study; literature review – to examine scientific works on the issues under consideration; functional analysis – to determine the functional relationships between different elements of the research process; trend analysis – to form a generalised idea of long-term trends in data on tax revenues in the EU member states; financial analysis – to assess tax revenues to the common EU budget and budgets of the member states; system analysis – to assess the relationships between different elements of the tax systems of the EU countries; comparative analysis – to compare the features of the functioning of tax systems and the implementation of tax accounting in individual EU countries and to formulate proposals to deal with the issues under investigation; abstract-logical method – to describe the consistency of tax accounting and reporting processes in the EU countries; method of induction and deduction – to formulate conclusions and recommendations on the researched issue; table and graphics techniques – to reflect the results.

The information base of the study is scientific literature, in particular, monographs, scientific articles, and publications on the functioning of tax systems and tax accounting, EU regulatory documents (directives, resolutions), international agreements, protocols, memorandums, official data of the European Commission, the European Council, and other pan-European and national authorities of the EU member states, data from the global Internet, etc.

The scientific novelty of the obtained results lies in developing theoretical provisions and practical recommendations for enhancing tax systems and tax accounting in EU countries.

The main provisions of scientific novelty are as follows:

points that have been improved:

– scientific substantiation of the evolution of tax systems and tax accounting as a continuous process of transformation, reflecting the historical path from primitive fees in ancient societies to modern complex taxation mechanisms aimed at ensuring economic growth, social justice, environmental stability, increasing the efficiency of fiscal policy, achieving the Sustainable Development Goals, and based on the integration of the principles of adaptability and flexibility, taking into account the specifics of globalisation of the economy and digital innovation;

– a methodical approach to the analysis of the tax systems of the EU countries, which made it possible to establish that, despite the common orientation towards financing public services, supporting social welfare, and ensuring sustainable development, the tax systems of the EU countries have both common features and significant differences due to the economic, social, and historical characteristics of each state, which is manifested in a variety of approaches to the formation of the tax base, the use of rates and mechanisms for their collection;

– substantiation of the vector of development of tax systems and tax accounting as a certain dynamic and complex process, conditioned by the need to adapt to modern challenges of digitalisation, globalisation and integration of international accounting and taxation standards, focused on creating a transparent, adaptive and inclusive

environment that will support economic development, stimulate innovation, and contribute to the sustainable development of states and the international community;

points that have been further developed:

– the meaning of the concept of "institutional framework for taxation", which is suggested to be treated as the totality of norms, principles, and rules, as well as state institutions that determine, regulate, and ensure the functioning of the country's tax system through legislative and administrative mechanisms aimed at ensuring a fair, efficient, and transparent taxation process;

– analysis of the "Fiscalis 2020" action program, which made it possible to establish that the implementation of the program contributed to increasing cooperation between the tax authorities of the EU countries, stimulated their intellectual, sustainable, and inclusive growth, increased administrative capacity, as well as the introduction of scientific and technological progress and innovation, thus creating the basis for strengthening business competitiveness, promoting employment, protecting the financial and economic interests of the EU member states and taxpayers;

– approaches to assessing the efficiency of adapting EU tax systems to combat aggressive tax practices, integrating tax aspects into the EU sustainable development strategy, using grants for environmental initiatives, strengthening corporate tax practices, stimulating innovation, economic growth, social stability, and improving the quality of life in the EU;

– the methodology for assessing the impact of tax harmonisation to ensure transparency and competitiveness of EU economies, the introduction of mechanisms for avoiding double taxation, and tax incentives that contribute to the integration of the EU into the global economy, together with the digitalisation and automation of administration processes increase the efficiency of tax collection, and reduce the possibilities for evading taxes;

– substantiation of the peculiarities of tax accounting in the EU countries, which promotes transparency, accuracy of calculation, and fair distribution of tax liabilities; ensures transparency of financial information, control over budget revenues, and minimisation of corruption risks; makes it impossible to evade taxes, while stimulating

the harmonisation of tax standards and procedures in the EU, in particular through initiatives such as CCCTB and BEFIT; reflects the EU's desire to adapt the tax system to modern challenges, in particular to the digitalisation of the economy.

The practical significance of the results obtained lies in the development of theoretical and methodological generalisations, and scientific and practical recommendations on strategic priorities for the development of tax systems and tax accounting in the EU countries.

The main theoretical and methodological provisions of the study are used in the educational process by the State University of Zhytomyr Polytechnic, in particular in teaching such disciplines as 'International Taxation' (certificate No. 44-01.00/1968 dated 24.12.2024); Limited Liability Company 'Science Park of the State University of Zhytomyr Polytechnic' in developing strategies for tax incentives for business (certificate No. 05/1212 dated 12.12.2024); the Union of Auditors of Ukraine on harmonisation of the tax policy of Ukraine with the EU norms and standards, organisation of professional seminars and round tables for auditors, tax consultants and business representatives on international taxation (certificate No. 1-02 dated 21.02.2025).

Personal contribution of the applicant. The theses is an independent completed scientific research. Scientific provisions, developments, conclusions, and recommendations to be defended were independently obtained by the author. Based on the results obtained in the course of the study, theoretical and methodological provisions, and scientific and practical recommendations on the priorities for the development of tax systems and tax accounting of the EU countries were formed. In particular, the economic content of taxes, and the specifics of the formation and functioning of tax systems are theoretically substantiated; the evolutionary aspect of the development of tax systems and tax accounting is revealed; the institutional and legal foundations of the functioning of the tax systems of the EU countries are substantiated; the state of tax systems and tax accounting of individual EU countries is investigated; the priorities for the development of tax systems of the EU countries in the context of the implementation of the Sustainable Development Goals are

determined; the role of taxation in stimulating economic development and increasing the competitiveness of the EU countries is established; the prospects for harmonisation and convergence of tax systems of the EU countries are described; proposals for improving tax accounting as a mechanism for achieving financial transparency are formulated; the potential of digitalisation of tax systems and tax administration in the EU is revealed. Personal contribution to scientific papers published in co-authorship is given separately in the list of publications.

Approbation of the dissertation results. The main provisions of the research presented in the dissertation were reported, discussed, and received a positive assessment at international and all-Ukrainian scientific and applied conferences, which is reflected in the publications: 1. Islamli J. Economic nature of taxes and peculiarities of functioning of tax systems. National Security in Times of War, Post-War Reconstruction, and Global Challenges of the 21st Century: Collection of Abstracts of the All-Ukrainian Scientific-Practical Conference with International Participation, December 12-13, 2024. Zhytomyr: Zhytomyr Polytechnic, 2024. P. 759-761. 2. Islamli J. Analysis of the tax system and tax accounting in Finland. Legal Policy of Ukraine: History and Modernity: Materials of the V All-Ukrainian Scientific-Practical Seminar (Zhytomyr, October 10, 2024). Zhytomyr: Zhytomyr Polytechnic, 2024. P. 218-221. 3. Islamli J. Peculiarities of tax administration in the EU. Abstracts of the All-Ukrainian Scientific-Practical Online Conference of Graduate Students, Young Scientists, and Students Dedicated to Science Day. Zhytomyr: "Zhytomyr Polytechnic", 2024. P. 706-707.

Publications. The main provisions of the thesis are published in 6 scientific papers, of which the applicant personally authored: 3 articles in domestic professional journals included in international scientometric databases; 3 abstracts of reports at international and all-Ukrainian conferences.

Structure and volume of the dissertation. The dissertation consists of an introduction, three chapters, conclusions, a list of reference materials, and appendices. The main content is presented on 150 pages of printed text. The thesis contains 16 tables and 26 figures. The list of references includes 175 titles and takes up 18 pages.

CHAPTER 1

THEORETICAL BASIS OF THE DEVELOPMENT OF TAX SYSTEMS AND TAX ACCOUNTING

1.1. Economic essence of taxes, specifics of the formation and functioning of tax systems

Taxes are an integral and important component of the economic system of any state. They are the main mechanism for redistributing national income aimed at financing state expenditures and meeting social needs. Taxes provide revenue to the budget, which finances such important areas as education, healthcare, social protection, infrastructure, security and other areas. Despite the presence of a significant amount of research in the field of taxation, the issues of the economic content and essence of taxes continue to generate discussions in academic circles.

The classical theory of taxation was initiated by the scientific works of D. Ricardo and A. Smith. The English economist D. Ricardo in his work «On the Principles of Political Economy and Taxation» in 1817 noted that taxes constitute that part of the product created by the country, which comes to the disposal of the government and is always paid in the end either from capital or from the country's income [70]. Like A. Smith, he considered state spending nonproductive, and limited the role of taxes in society to a fiscal function. Moreover, D. Ricardo considered these mandatory payments a negative phenomenon, insisting that they interfere with the process of formation and accumulation of capital. In his opinion, «...there are no taxes that would not lead to a decrease in the amount of capital, all taxes inhibit production and cause the same consequences as bad soil or climate...» [76, 77]. J. Keynes emphasised the extremely important role of fiscal policy in stabilizing the economy and believed that government spending financed by taxes can stimulate economic growth and employment [145].

The English economist M. Blaug, known for his research in the field of taxation, made a significant contribution to the development of tax theory. He proposed a new approach to the analysis of tax policy, which allowed for a more accurate assessment

of the efficiency and distribution of income in society. His works were based on the proceedings of such prominent economists as A. Smith, J. Mirlis, E. Atkinson, etc. M. Blaug also proposed a methodology for optimal taxation, which allowed minimizing abuse and ensuring a more equitable distribution of income and had a significant impact on modern economic science and the development of tax policy in different countries [4].

The issues of tax regulation and taxation efficiency were considered in the works of J. Stiglitz, B. Milanovic, M. Weber, P. Samuelson and others. J. Stiglitz, a Nobel Prize winner in economics, studied the impact of taxes on economic inequality and the efficiency of government spending. He believed that taxes can be used as a tool to reduce income inequality and ensure a more equitable distribution of wealth [80]. Similar conclusions were made by B. Milanovic, who studied the dynamics of global inequality and its impact on economic development. In his works, he emphasises that effective tax policy can help reduce income inequality by ensuring a more equitable distribution of wealth, which includes the introduction of a progressive tax system, reducing tax evasion and increasing the efficiency of taxation [149]. M. Weber, a German sociologist and economist known for his works on taxation and bureaucracy, believed that taxation is an important tool for ensuring the functioning of society and the state. Weber emphasised that taxation not only provides funding for the state, but also contributes to the distribution of income and the reduction of social inequality [8].

In the classical form, the key principles of taxation were formulated by A. Smith. Among them there is the principle of the correspondence of the amount of taxation to the income received. It implies that all citizens of the state should participate in financing the government in accordance with their capabilities and the income they earn. The principle of the correspondence of the amount, time and method of tax payment suggests that the tax should be established in such a way for the taxpayer to know exactly the terms, method and the amount of payment. In addition, taxes should be collected at the most convenient time and method for the taxpayer. The principle of minimum additional costs for taxpayers, arising during the collection of taxes,

determines that the tax system should be designed in such a way as to take from citizens as little money as possible in excess of what is received by the state budget [76].

A. Wagner paid considerable attention to the study of the principles of taxation. In his works, he proposed the concept of a four-stage classification of the basic principles or rules of taxation: financial rules – sufficiency and flexibility of taxation; general economic rules – the choice of taxation objects and the optimal combination of forms and types of taxes; ethical rules – the universality and fairness of taxation; administrative and technical rules – the certainty of the tax, the convenience of payment and the reduction of its collection costs [173].

The works' analysis of leading scientists gives grounds to assert that the economic content of taxes is manifested in the fact that they are a source of state income, a tool for redistributing resources, a mechanism for economic regulation and stabilizing the economy. In view of this, it can be considered from several positions. First, as a source of income for the state, they are used to finance various social needs, such as healthcare, education, military defense and infrastructure development. Second, with the help of taxes, the state can reduce income inequality among the population, redistributing funds from the richer to the less well-off. Third, taxes can be used as an instrument of economic policy to stimulate or restrict certain types of activity. For example, high taxes on alcohol or tobacco can reduce their consumption, while tax breaks for innovative enterprises can stimulate their development. In addition, in times of economic crises or recession, the state can use tax instruments to support demand and stimulate economic growth. Therefore, taxes play a key role in the functioning of the economy, ensuring the financial stability of the state and contributing to its social and economic development. Guided by this, governments of countries develop their tax systems.

The formation of a tax system is a complex process that depends on economic, social and political factors that are determined by the tax policy of the state [42]. In the scientific literature, there is no single approach to defining the concept and essence of state tax policy, which is due to the variety of scientific interpretations of this category, as well as the complexity and multi-vector nature of its content. The study of the

category of «state tax policy» is complicated not only by the multifaceted nature of the phenomenon itself, but also by the fact that it encompasses several interrelated categories, such as «tax policy» and «tax system».

Explication of the conceptual apparatus will allow for a deeper understanding of the role and functions of taxes in modern society, as well as for determining the optimal approaches to the formation of tax policy and the tax system in the state. It will also contribute to the formation of more effective and fair taxation systems that take into account the interests of all citizens and ensure the stability of public finances. At the same time, it is important to consider that tax policy should be flexible and able to adapt to changes in the economic and social spheres, allow the state to quickly respond to challenges arising from globalisation, technological changes and other factors. Besides the tax system should be transparent and accessible to understanding so that business and citizens can easily navigate their tax obligations and have confidence in state institutions.

Determining the optimal approaches to the formation of tax policy and the tax system necessitates the need to analyze the leading scientific literature on the outlined issues (Table 1.1). Theoretically, the potential of tax as an economic category is realized by the tax system through the implementation of the goals and objectives defined by tax policy. The taxation system, defined by law, becomes a practical tool for redistributing taxpayers' income. If the taxation system defined in the law does not ensure the disclosure of the internal economic potential of the state and is not able to provide adequate revenues to the budget, then it can be contended that it does not perform the functions assigned to it.

Table 1.1

Interpretation of the Definitions of “Tax Policy” and “Tax System” in Scientific Literature

Author	Definition
Yu. Ivanov [34]	Tax policy has two aspects: the formation of the state budget and the actual collection of taxes in accordance with all elements of the tax system. Regarding the first aspect, the state cannot establish the maximum level of taxation due to the risk of social tension; therefore, loans are used to cover part of the expenses as deferred future taxes.

continuation of Table 1.1.

Ya. Yarema [97, 98]	Tax policy represents a system of state measures for regulating taxation. Its content and purpose are determined by the socio-economic structure of society, the strategic goals defining the development of the national economy, the social groups in power, and international obligations in the field of public finance.
P. Khomin [88]	Tax policy is associated with balanced accounting support following classical methodological and methodical principles.
K. Shvabiy [92]	Tax policy is implemented through the determination of principles, objects and subjects of taxation, tax rates, and grounds for tax exemptions.
A. Sokolovska [78, 79]	Tax policy should address real economic and public finance system problems, responding to contemporary challenges and threats.
O. Oliynyk, I. Filon [58]	The tax system is a set of taxes and fees (mandatory payments) to budgets and state-targeted funds collected in the manner established by the laws of Ukraine.
V. Slyusarenko [75]	The purpose of the tax system, which reflects and is an integral component of the country's economic development model, is not only to collect taxes and ensure budget revenue for the state to perform its functions but also to facilitate achieving the strategic goals of national economic development.
K. Bartkova [3]	The country's tax system primarily has short-term goals, such as filling state and local budgets and using funds for societal needs.
O. Gonta [11]	The tax system is one of the foundations of the economy's functioning. It ensures both the financial security of the country and influences the level of economic growth of business entities.
T. Stovbun [81]	The tax system is a factor in stimulating innovative activity in the country.
O. Kovalenko [39]	The tax system should be progressive, promote investment, economic development, competitiveness, and employment, and should be stable and predictable.

Source: compiled by the author.

The synthesis of scientific sources gives grounds to assert that tax policy and the tax system play a key role in the functioning of a modern state, ensuring stability and development of the economy. The main aspects of tax policy include the formation of the state budget and tax collection and are determined by the social and economic priorities of society, strategic goals of national economic development and international obligations. O. Revenko claims that tax policy is implemented through the definition of principles, objects and subjects of taxation, tax rates and grounds for exemption from taxation. It must be flexible and able to adapt to changes in the economic and social spheres. An important component of effective tax policy is its transparency and accessibility for citizens to understand, which increases trust in state institutions and promotes voluntary fulfillment of tax obligations [69].

The key objectives of tax policy are to achieve fiscal stability, optimal distribution of income, economic growth, social justice and environmental sustainability (Fig. 1.1). Achieving fiscal stability, according to D. Koval, allows the state to have sufficient financial resources to perform its functions and cover budget obligations, which contributes to reducing the budget deficit and debt burden [40]. Optimal distribution of income through a progressive taxation system, according to G. Kucherova, contributes to reducing inequality in society and increasing the level of population well-being [51].

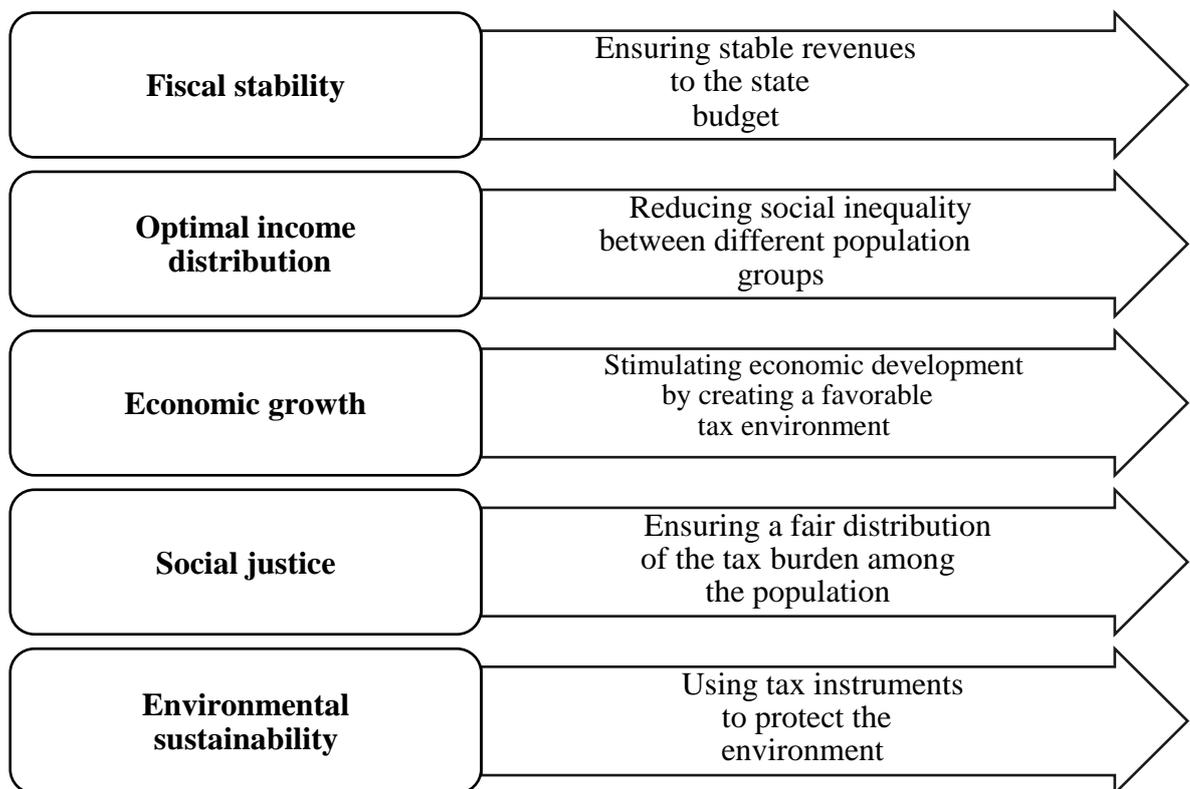


Fig. 1.1. Key objectives of tax policy

Source: compiled by the author.

Economic growth is an important task of tax policy, since taxes can stimulate investment and entrepreneurial activity, create new jobs, promote innovation and modernization of production. At the same time, tax policy, from the point of view of O. Zhulyn, should also take into account the principles of social justice, ensuring the protection of low-income groups of the population and creating conditions for social support through adequate financing of social programs [32]. Finally, environmental sustainability is becoming an increasingly significant goal of tax policy in the context

of global environmental challenges. The introduction of environmental taxes and incentives, notes S. Pyroga, allows directing economic activity towards sustainable development and reduces the negative impact on the environment. Thus, tax policy not only provides the necessary level of state revenues, but also acts as an important tool for achieving strategic economic, social and environmental goals [63].

To implement the goals of tax policy, it is important to create an effective and transparent tax system. The tax system, as a tool for implementing tax policy, should ensure stable revenue flow to the budget, promote economic stability and stimulate growth. It includes various types of taxes and fees, mechanisms for their administration and ensures interaction between state bodies and taxpayers. It is extremely important that the tax system takes into account the specific features of the national economy and responds to modern challenges and threats. In particular, N. Kostyshyn emphasises that in the face of various challenges, globalisation and technological changes, the tax system must be flexible, able to quickly adapt to new conditions and ensure a balance between fiscal stability and economic growth [44].

The formation of an effective tax system involves the creation of transparent and understandable tax rules, the establishment of fair tax rates, as well as the introduction of modern technologies for tax administration. Such measures help reduce the tax burden on business, stimulate investment activity and contribute to increasing tax discipline among citizens. The creation of such a tax system that meets the needs of society and the state is one of the key tasks of tax policy. As D. Kobylnik claims, only an effectively working tax system can ensure stable economic development and the well-being of citizens [38].

Systematising scientific views on determining the essence of the tax system, O. Sushkova notes that the latter not only ensures the collection of taxes and the filling of budgets of the state and local levels, but also contributes to the achievement of strategic goals for the development of the national economy. It must be stable so that enterprises and citizens can plan their financial operations for the long term. One of the key tasks of the tax system is to ensure the financial security of the country and promote economic growth [82]. Tax policy and the tax system should be aimed at solving real

problems of the economy, respond to modern challenges and threats, and also contribute to a fair distribution of the tax burden among different groups of the population. Only in this case the tax system will be able to effectively perform its functions and ensure the stability and prosperity of the state.

The key components of the state tax system are illustrated in Fig. 1.2.

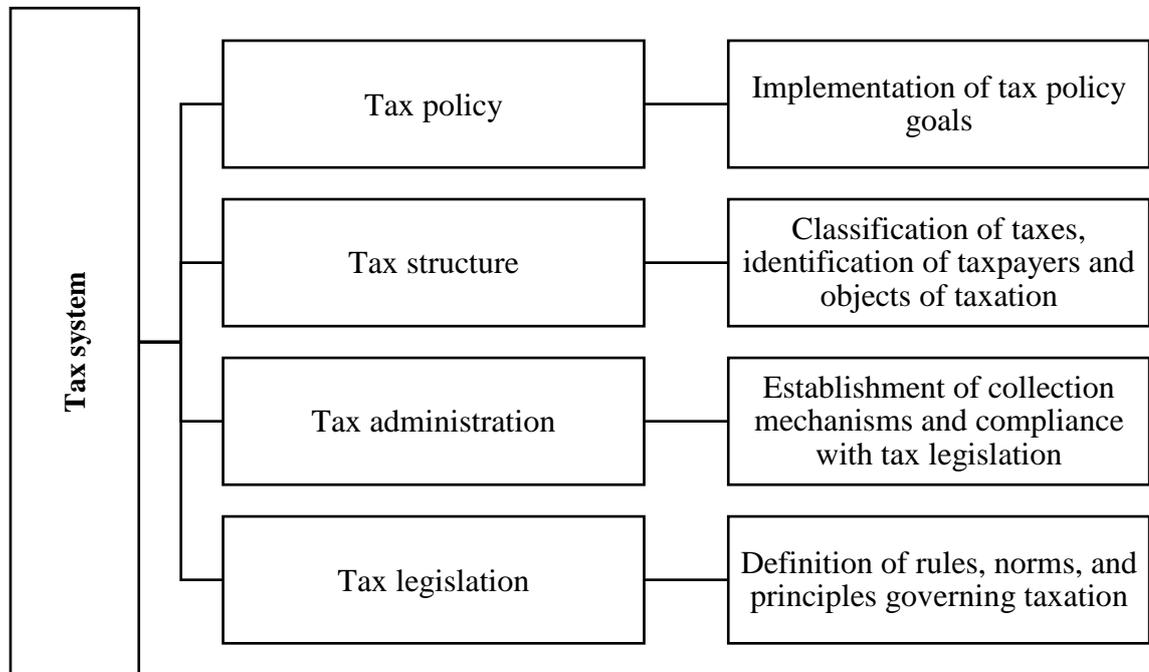


Fig. 1.2. Components of the state tax system

Source: compiled by the author.

Formation of the tax system, insists S. Pyroga, is a complex process that requires taking into account numerous economic, social and political factors. It involves the development and implementation of tax mechanisms that ensure a fair and effective distribution of the tax burden among different categories of taxpayers [63]. According to L. Tovkun, the key principles of forming the tax system include: fairness, efficiency, transparency, stability, flexibility and administrative simplicity [83]. The point is that the tax system should ensure equality before the law of all taxpayers regardless of their income or status. O. Gonta states that taxes should be managed in such a way as to maximize budget revenues while minimizing administrative costs. According to the scientist, an effective taxation system should ensure a reduction in costs during tax collection, be understandable and transparent for taxpayers and, thus, increase trust in

tax authorities and voluntary fulfillment of tax obligations [11]. Yu. Pasichnyk points out that the stability of the tax system helps in long-term planning of financial and economic decisions [62].

The formation of the tax system is a complex process that takes into account the economic, social and political particularities of the state. I. Yuga claims that the main goal of the tax system is to provide the state budget with stable revenues to finance public services, such as education, healthcare, social security and infrastructure. For this purpose the government determines the types of taxes, their rates, benefits, as well as the procedure for calculation and payment. The structure of the tax system usually includes both direct and indirect taxes, which affect enterprises and the population in different ways, forming a balance between fiscal needs and economic stimulation [95].

The impact of the tax system on the country's economy is multifaceted and depends on its structure, the efficiency of administration and the chosen directions of tax policy. An effectively constructed tax system provides stable revenues to the state budget, which allows the government to fulfill its social and economic obligations. Stable financing of the public sector reduces the need for external borrowing and strengthens the country's economic security. Research by Ya. Yarema proves that tax policy can be aimed at supporting investment and entrepreneurship development [97]. For example, reduced tax rates for small and medium-sized businesses, tax holidays for startups, tax discounts for investments in innovative technologies stimulate entrepreneurial activity, job creation and GDP growth.

Progressive tax rates allow reducing income inequality, ensuring social justice and financing social programs. Through tax revenues, according to S. Yuriy, the government can redistribute resources in favour of the poor, which contributes to social stability and an increase in the quality of life. With the help of taxes, the state can influence the level of inflation and demand [96]. For example, increasing taxes on goods with high demand can reduce inflationary pressure, while reducing the tax burden can stimulate consumption and production in economically important sectors. The introduction of environmental taxes (for example, a tax on CO₂ emissions, on the use of natural resources) helps reduce harmful emissions and stimulates enterprises to

implement environmentally friendly technologies, which has a positive effect on the environment and promotes sustainable development. M. Karminska-Belobrova states that a favorable tax system can make the country attractive to foreign investors. Reduced income tax rates, preferential taxation of new enterprises, transparent tax procedures – all this creates conditions for investment [36].

The economic content of taxes is to ensure the necessary conditions for the formation of state financial resources, which are the basis of the functioning of the country's economy. Taxes perform several key functions: fiscal, regulatory, distributive and stimulating, contributing to the sustainable development of the economy and maintaining social stability. O. Pabat insists that the tax system in this context appears as a set of tools that allows the state to effectively redistribute national income, ensure the level of state spending and create incentives for investment and innovation [61].

Analysis of the works of leading scientists gives grounds to assert that the specifics of the formation of the tax system are determined by the need to balance the fiscal needs of the state and ensuring economic activity in the country. An important element of the tax system is the structure of tax revenues, which includes direct and indirect taxes. Direct taxes, such as personal income tax and corporate profit tax, ensure a fair distribution of the tax burden and reduce social inequality. Indirect taxes, such as Value Added Tax (VAT) and excise duties, aimed at filling the budget through consumption, can also perform the function of regulating demand for certain types of goods and services.

The process of forming a tax system includes the development of methods of administration and control over the payment of taxes, which ensures transparency and accountability of tax procedures. A rational tax system should be adaptive to economic changes, include mechanisms for reducing the tax pressure on small businesses and innovative industries, and also provide for measures to stimulate investment activity and the competitiveness of the national economy. Thus, the tax system not only provides financial resources for the state, but is also a strategic tool of public

administration. It allows influencing the pace of economic growth, ensuring social protection and promoting environmental sustainability.

Therefore, an effective tax system is an important component of the economic stability and development of the state, which ensures regular revenues to the budget, promotes social justice and economic growth. The formation of such a system requires a balanced approach, taking into account national characteristics and international experience. The tax system must have the ability to adapt to changes in the economy and society, as well as quickly respond to economic crises or other unforeseen circumstances. Tax procedures should be simple and understandable, which reduces the likelihood of errors and facilitates the process of tax collection for both taxpayers and tax authorities. Compliance with taxation principles, such as universality, fairness, certainty and convenience of payment, contributes to achieving tax policy goals, in particular ensuring budget revenues, redistributing income, stimulating economic growth, controlling inflation and supporting environmental initiatives.

1.2. Evolutionary aspect of tax systems and tax accounting

Simultaneously with the emergence of the state, taxes appear, the purpose of which is to ensure its financial needs. The evolution of taxes demonstrates how their forms have changed – from natural levies and primitive accounting mechanisms in ancient civilizations to modern digital tax administration systems. The development of tax systems was accompanied by the improvement of tax accounting, which has evolved from manual calculation and bookkeeping to automated computer databases enhancing the efficiency and transparency of taxation.

The study of the evolution of tax systems and tax accounting allows us to trace how approaches to tax collection and accounting have developed in different historical periods, and how these processes have adapted to the socio-economic conditions of their time. The tax system has always reflected political and economic realities, as well as the level of development of society, technology and state institutions. The study of

the evolution of tax systems and accounting is important because it helps to understand the causes and consequences of tax reforms, as well as the impact of tax policy on the economic development of the state. The study of historical changes in taxation and accounting is useful for building an effective and sustainable tax system that meets modern challenges and needs of society.

Stage I – the emergence of taxes is attributed to the period of the formation of the first states, when commodity production appears, the state apparatus is formed – officials, army, courts. As described in his works by A. Krysovaty, the reasons for the emergence of taxes include the need to maintain the state, conduct military operations or large-scale construction [48]. At the initial stage, which covers the period of the Ancient World and the early Middle Ages, taxes were extraordinary and random in nature. T. Tomnyuk's research proves that the state mostly received its income from the exploitation of its own lands, property, crafts, as well as from contributions from the defeated, military booty, gifts and tribute [49].

According to A. Sokolovska, during the feudal period, the main tax burden fell on society. Tax levers were often intertwined and sometimes took the form of other sources of state income, which were considered priority. Such income included domains – the ruler's income from managing his own property (forests, land and other types of property), which were private in nature. At this stage, the income of the ruler and the state was almost equal; there was no clear distinction between public-law and private-law income [78, 79]. Thus, the first stage of taxation development was characterised by the absence of an administrative apparatus capable of clearly and rationally organizing the tax collection system, the randomness and extraordinary nature of taxes in the structure of state income, and the low level of state needs that were satisfied without the use of tax levies.

Stage II of taxation development, covering the period from the 18th century to the early 19th century, is characterised by significant changes in the tax system. The main features of this stage are described by A. Krysovaty and T. Tomnyuk [49]. Scientists justify that during this period, the formation of more structured tax systems began, incorporating both direct and indirect taxes, which allowed governments to

better plan their income and expenses. Volatile and occasional taxes were gradually replaced by permanent ones, which provided more stable sources of income for the state. With the emergence and expansion of the functions of tax systems, the need for effective state management of their collection and control over payment increased. The Industrial Revolution contributed to an increase in economic activity and the creation of new sources of income, which, in turn, led to an expansion of the tax base. During this period, consumption taxes such as excises and duties emerged, becoming important sources of state revenue [48, 49]. Thus, we can claim that the second stage of taxation development is marked by the transition from random and unstable taxes to a more systematic and stable tax system that provided the necessary revenues for the development of the state [49].

Stage III (late 19th century – mid-20th century) in the history of the formation of the taxation system is characterised by significant changes caused by industrialization, the growth of the state role in the economy and social life. During this period, many countries introduced new tax forms that met the growing needs for financing state expenditures related to infrastructure development, social programs, and war expenses. O. Ryabchuk focuses on the introduction of income tax and personal income tax at the end of the 19th century and the beginning of the 20th century in most industrialized countries, which became an important source of budget revenues. The scientist justifies that this was due to the need to redistribute income and finance social needs, as well as a response to growing social inequality [71].

In his studies, O. Fradynsky draws attention to the introduction of taxes to finance war expenses. The scientist claims that during the First and Second World Wars, the governments of many countries significantly increased the tax burden to finance military needs. Additional taxes were introduced, and tax rates increased, especially for large enterprises and wealthy segments of the population. Tax policy became a tool for mobilizing economic resources to support the war effort [86].

The strengthening of tax administration and accounting, as K. Kukhta asserts, was also inherent in the third stage of the evolution of the taxation system. Studies prove that in order to ensure stable tax revenues, states improved tax accounting and

control systems. Tax inspectorates were created, new methods of calculating tax liabilities were developed, which contributed to increasing the efficiency and transparency of taxation [50]. In parallel, this period was characterised by the emergence of numerous economic theories, the development of tax theories, and the justification of the feasibility of progressive taxation to reduce inequality and maintain social stability.

Economist scholars, in particular J. Keynes, considered taxes as a tool for influencing the economic situation and the level of employment in the state. They insisted on strengthening the role of taxes in providing state social programs [145]. Taxes began to be used to finance education, health care, and social security systems, which became an important factor in improving the quality of life of the population. This period became a turning point in the development of the taxation system, laying the foundations of modern taxation focused on progressive redistribution of income, stable financing of public spending, and social equality. The tax system became an important tool for macroeconomic regulation, as well as for the formation of the state's socio-economic policy.

Stage IV (mid-20th century to the present) in the evolution of tax systems is a period of significant changes and innovations aimed at adapting taxation to global economic and technological transformations. It was marked by the growth of the state role in managing the economy, the development of social functions of taxes, as well as the internationalization of tax policy in connection with globalisation and the development of international trade. The strengthening of progressive taxation and the expansion of social programmes, according to A. Nikityshyn, characterises the fourth stage of taxation development. Many countries, especially with developed economies, have expanded their social functions by introducing state programs of social insurance, pensions, health care and education. Tax revenues have become the main source of financing these programs, leading to the establishment of progressive income taxation for individuals and corporations as a fundamental element of the tax system [57].

The introduction of the Value Added Tax (VAT), which, as O. Trifonov insists, has become one of the most important taxes in most countries of the world, in particular

in European countries, where it was introduced in the 1960s. It allows to fill the state budget effectively, ensuring stable revenues and reducing the tax burden on producers. Since the late 1970s, during the period of economic crises and stagflation, countries such as the USA and the UK have carried out reforms aimed at reducing tax rates for enterprises and stimulating investment. Research by V. Melnyk proves that these reforms contributed to the intensification of economic activity and the reduction of unemployment, initiating the transition to the model of «supply-side economy», which encourages private investment and entrepreneurial initiative [85].

Internationalization of tax policy and avoidance of double taxation, as O. Magopets states, has become a defining feature of the modern stage of tax systems development. Due to economic globalisation and the growth of international trade, there was a need to develop mechanisms to avoid double taxation of income of international companies. This led to the signing of numerous international agreements, the creation of organizations such as the Organization for Economic Cooperation and Development (OECD), and the development of standards to prevent aggressive tax planning [53]. Studies by Yu. Onyshchuk confirm that the governments of many countries have begun an active fight against tax evasion, developing measures to prevent the use of offshore jurisdictions and tax minimization schemes. Control over the income of corporations and individuals has increased, which has made it possible to increase the transparency of tax systems and reduce budget losses from the shadow economy [59].

The current stage is characterised by the active digitalisation of tax processes: the introduction of electronic accounting systems, automated databases, online income declaration. This has enhanced efficiency, accuracy, and reduced administrative costs, allowing for faster detection of violations and fewer cases of tax evasion [72]. O. Korzachenko insists that governments are now focusing on environmental taxation. Many countries have begun to introduce «green» taxes aimed at reducing environmental pollution, such as a tax on carbon dioxide emissions, excise taxes on non-ecological fuels and other payments for the use of natural resources [43]. The fourth stage of the development of tax systems was a period of their intensive

transformation. They became more flexible, transparent and focused on social stability. Tax policy adapted to the new conditions of globalisation, the digital economy and environmental challenges [169]. The result was the formation of a modern tax system that combines effective fiscal administration, stimulating economic development, environmental sustainability and improving the quality of life for citizens [174].

The analysis of scientific works provides grounds for systematising the key stages of the development of tax systems (Fig. 1.3).

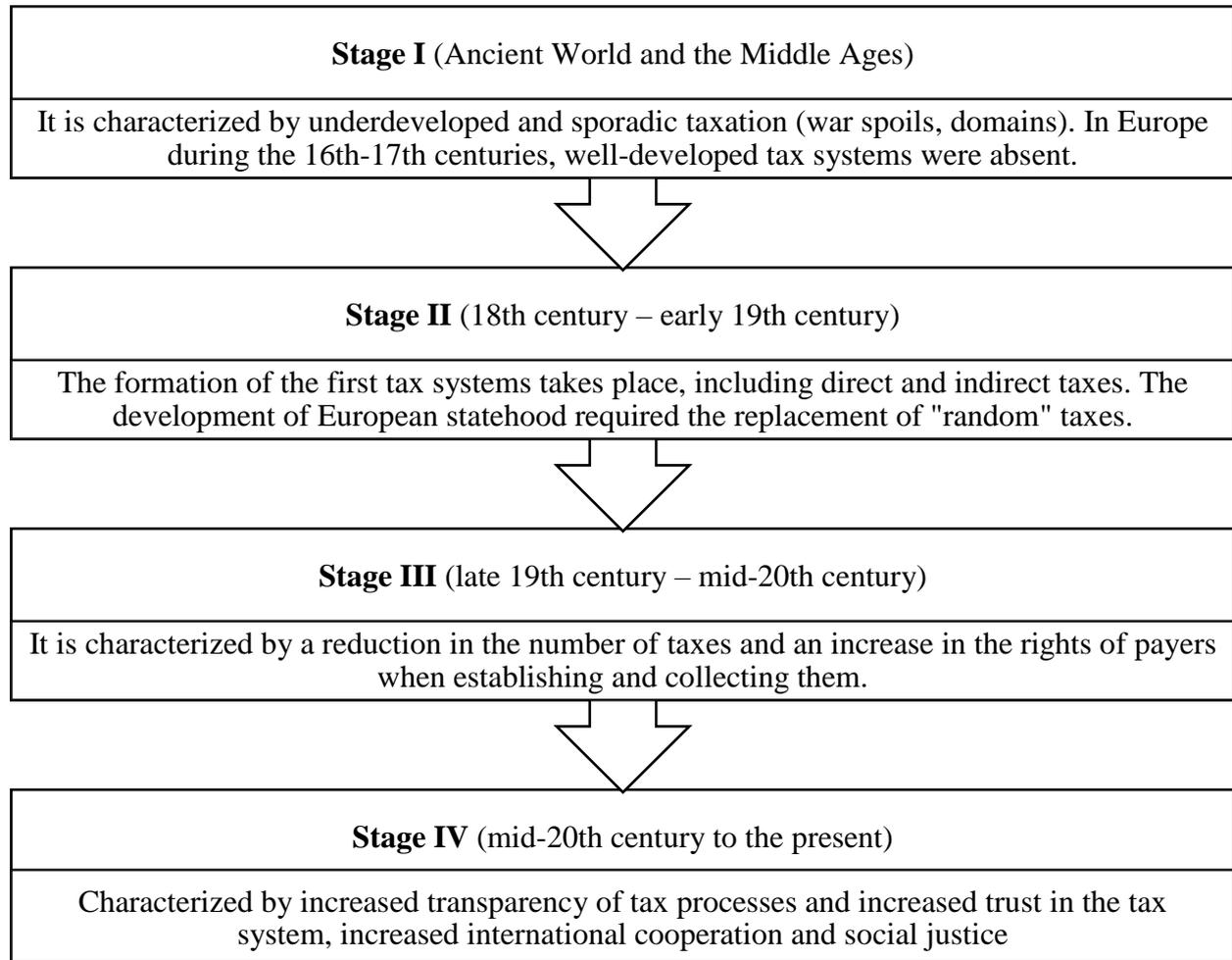


Fig. 1.3. Systematisation of key stages of the development of tax systems

Source: based on [13, 14, 15, 83].

An integral part of the evolution of tax systems is the development of tax accounting, which is aimed at ensuring effective and transparent tax administration. Tax accounting, as well as the transformation of tax systems, has undergone significant changes, moving from manual record-keeping to automated and digital systems. Research by Y. Dankiv and M. Ostapyuk indicates that in the early stages of the

development of tax systems, tax accounting was quite primitive: records were kept manually, and taxes were often paid in kind. The main purpose of accounting was to record obligations to the state [13, 14, 15].

Over time, as the later scientific works of these researchers claim, with the development of commercial activity and the complexity of state structures, there was a need for more systematic accounting. During this period, the first standards and forms of accounting documents began to be developed, which allowed for the standardization of tax records. The industrialization of the late 19th and early 20th centuries significantly influenced the development of tax accounting. The growth in the number of enterprises and the increase in population incomes required the introduction of new accounting methods that could take into account financial flows in various sectors of the economy. This period was marked by the emergence of accounting and tax services in companies, as well as the introduction of such accounting procedures as corporate profit calculation and tax reporting [13]. According to M. Zobi and other researchers, the mid-20th century was marked by technological advancements that facilitated the automation of accounting processes. With the introduction of computers, tax accounting acquired a new quality – it became more accurate and systematised. The first electronic databases appeared, allowing for the storage and processing of large amounts of information about taxpayers. The outlined features of the development of tax accounting significantly increased the efficiency of tax administration, facilitating reporting processes for both state bodies and enterprises. Since the late 20th century, tax accounting has been undergoing active digitalisation [175]. The introduction of the Internet, accounting software and electronic platforms has made it possible to move to fully automated systems. Modern information technologies allow taxpayers to make electronic declarations, submit reports online, and make payments through digital platforms. This significantly simplifies accounting and reporting processes, reduces the risk of errors, and facilitates monitoring of tax revenues.

V. Bodrov has examined aspects of tax regulation in the context of the digital economy, emphasising the adaptation of national tax systems to the challenges posed by digitalisation. The scientist notes that digital technologies contribute to increasing

the efficiency of tax administration, simplifying procedures for taxpayers, and reducing the risks of tax evasion. At the same time, it highlights key problems, including the imperfection of the regulatory framework, demonstrates the integration of digital tools into the taxation system and the low level of digital literacy of tax authorities. As a result, the researcher proposes measures to modernize tax policy, in particular, the introduction of e-government, automation of data processing and harmonisation of legislation with international ones [5].

N. Synyutka has explored key aspects of digitalisation in taxation. The author emphasises that the introduction of modern digital tools, in particular unified electronic identification systems, is a key condition for the effective functioning of the tax system in the digital economy. She notes the advantages of digital identification, such as simplifying tax administration, reducing corruption risks and increasing the transparency of fiscal transactions. At the same time, she points out the need to improve the regulatory framework, ensure cybersecurity, and enhance public trust in digital technologies. The researcher underscores the importance of harmonising national approaches to digital identification [74].

Problems of tax and fee administration through digital platforms were studied by N. Glebova. The author emphasises that the use of electronic digital signature (EDS) contributes to the automation and simplification of document flow between taxpayers and fiscal authorities, increasing the efficiency of tax administration. It is shown that EDS provides the legal force of electronic documents, and also contributes to the development of fraud risks through data protection mechanisms. At the same time, the researcher stresses the need to improve the EDS infrastructure in Ukraine, address regulatory challenges, and adapt systems to international standards. Ultimately, EDS is considered an important element of the digitalisation of the tax sphere, which worsens its transparency and reliability [10].

The problems of corporate income taxation and VAT in the context of the digitalisation of the economy are analyzed by O. M. Garkushenko and O. O. Kuvaldina. The authors note that digitalisation is transforming approaches to tax administration, creating both new opportunities for process automation and challenges related to the

taxation of digital services and the prevention of double taxation. Among the key problems, the researchers highlight the imperfection of the regulatory framework, the abuse of tax schemes, and the complexity of integrating digital solutions into the tax system. They propose a number of measures for improvement, including the development of special digital tools for tracking tax transactions, simplifying procedures for taxpayers, and adapting legislation to global digital trends. As a result, it is emphasised that effective digitalisation of taxation can increase transparency, reduce corruption risks, and promote economic growth [9].

O. Hryhoriev, N. Petryshyn, and A. Todoschuk propose methodological recommendations for digital rating of corporate tax indicators. The authors emphasise the need to implement digital tools for analyzing and assessing tax indicators that contribute to increasing the transparency and efficiency of tax administration. The study emphasises the importance of developing integrated algorithms based on big data and automated information processing systems to form objective ratings of enterprises by the level of tax discipline. It is shown that such approaches allow fiscal authorities to focus attention on risk subjects, optimizing resource costs. The authors recommend harmonising the use of digital ratings in accordance with current legislation, ensuring data protection and increasing business confidence in new assessment mechanisms [12].

O. Shapovalov's research, in which he analyzes the role of the digital platform for electronic administration of value-added tax as a tool for increasing the efficiency of the tax system, emphasises that the implementation of a digital platform contributes to the automation of processes, minimizing human intervention and increasing the transparency of the circulation of tax funds. He highlights the main advantages of such a system, in particular the possibility of operational monitoring of tax transactions, reducing the risks of VAT fraud and simplifying procedures for taxpayers. At the same time, the researcher emphasises the need to improve legal regulation, adapt digital platforms to modern challenges and ensure cybersecurity. In conclusion, it is noted that the digital VAT administration platform represents a significant step forward in tax system digitalisation, increasing its overall effectiveness [91].

The need for digitalisation of the work of tax authorities is emphasised by T. Medinska and N. Noginova. The authors claim that integrating digital technologies enables the automation of administrative processes, reduces corruption risks, and increases transparency in interactions between taxpayers and tax authorities. At the same time, they highlight key challenges such as insufficient technical infrastructure, low digital literacy among tax personnel, and cybersecurity threats. The researchers stress the need for a systematic approach to digitalisation, which includes improving the regulatory framework, developing digital service infrastructure, and implementing modern standards [54].

V. Puhalskyi reveals in his works the main features of tax control in the context of digitalisation of the economy, focusing on the transformation of approaches to tax administration through the introduction of digital technologies. The author notes that digitalisation enhances the monitoring of mechanisms, simplification of information processing processes and increased accuracy of checking tax violations. The main tools of effective tax control in the digital era are automated data analysis systems, electronic document flow and platforms for exchanging information between tax relations subjects. At the same time, there is an emphasis on addressing issues related to data protection, enhancing legal regulations, and improving the digital competence of personnel. In conclusion, it is emphasised that effective tax control in the digital economy is a guarantee of transparency and fairness of the tax system [68].

In recent years, Big Data, artificial intelligence, and analytics technologies have begun to play a significant role in tax accounting. Tax authorities use these tools to analyze large volumes of data, identify tax evasion schemes, forecast revenues, and increase the transparency of the tax system. Modern technologies enable automatic risk identification, audit, and monitoring with minimal human intervention, thereby enhancing the efficiency and transparency of accounting process. Y. Dankiv and M. Ostapiuk in their work explore the evolution of accounting and tax accounting, analyzing its transformation under the influence of socio-economic changes and integration processes, in particular in the context of the development of the European Union. The authors trace the development of accounting systems from manual record-

keeping to modern automated systems, emphasising the key stages that led to qualitative changes in accounting practice.

The study focuses on the impact of harmonisation of financial reporting standards, integration of information technologies and globalisation of the economy on the evolution of accounting science. As a result, the authors note that modern accounting is not only a tool for recording business transactions, but also service as a key element of information support for making management decisions in the global economy [13-15]. The development of tax accounting in different historical periods is illustrated in Fig. 1.4

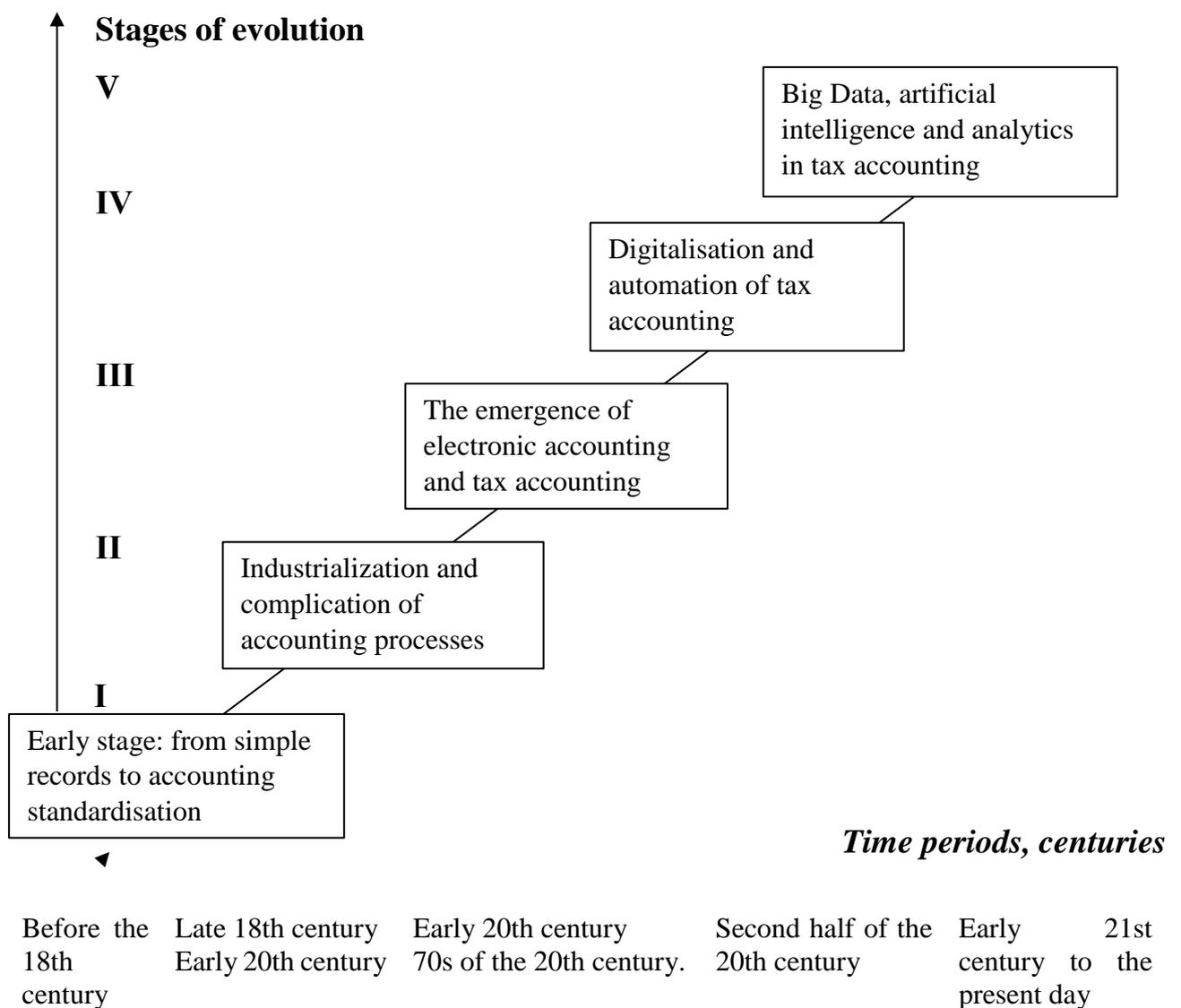


Fig. 1.4. Chart depicting the development of tax accounting in different historical periods

Source: based on [13-15].

The development of tax accounting is crucial for the stable functioning of the tax system, ensuring reliable financing of state expenditures and preventing tax abuse. Thanks to the automation and digitalisation of accounting processes, it has become possible to reduce administrative costs, facilitate the fulfillment of tax obligations for taxpayers and increase the transparency of the tax system as a whole. Modern tax accounting, integrated with the latest technologies, allows to increase the efficiency of tax administration, simplify accounting and control economic flows in real time, contributing to economic development and ensuring the state budget.

Accounting aspects of taxation are formed on the basis of different approaches to accounting for tax liabilities and reporting, which depend on the legislative requirements of each country. In recent decades, countries have been actively developing tax accounting systems, adapting them to international standards and requirements of the global economy. In Ukraine, tax accounting is regulated by the Tax Code of Ukraine, which determines the requirements for tax accrual, calculation of tax liabilities and reporting. Tax authorities also take into account the requirements of the National Accounting Standards (NAS), which have certain features compared to international standards [6]. In Ukraine, tax accounting is mandatory for the main types of taxes, such as income tax, value added tax (VAT), personal income tax (PIT), single social contribution (SSC), etc. Taxpayers must calculate and pay these taxes in accordance with the established rules, as well as submit regular reports to tax authorities [97, 98].

N. Glebova insists that digital technologies are actively used to simplify tax accounting in Ukraine. In particular, there is an electronic system for submitting tax returns, an online taxpayer's office, automated tools for tax accounting and tracking transactions, which greatly facilitates tax administration and reduces the risk of errors and abuse [10]. According to V. Kraevsky, control over transactions that can be used to minimize taxes is of great importance. Tax authorities conduct audits to prevent the use of tax evasion schemes, which is a relevant aspect of tax accounting [47].

D. Osipchuk notes that a significant number of countries apply international financial reporting standards as the basis for accounting and tax accounting, which

ensures the consistency of accounting procedures on a global scale and allows companies operating in international markets to prepare financial statements that are recognized by the tax authorities of different countries. In connection with globalisation, many countries have concluded agreements on the avoidance of double taxation, which provide for special accounting procedures for international income and allow to reduce the tax burden for transnational companies, contributing to the development of international trade [60].

The countries of the Organization for Economic Cooperation and Development (OECD) and the European Union (EU), as S. Brik argues, are introducing control mechanisms to prevent aggressive tax planning. In such countries, recommendations have been developed on transparent accounting and reporting for transnational corporations, in particular, Country-by-Country Reporting, which ensures the accounting of all transactions in the countries where activities are conducted [7]. In most developed countries, there are automated systems for accounting and reporting using large amounts of data (Big Data), which facilitates control over tax payments and allows more effectively to detect violations, track transactions and prevent tax evasion [142]. In many European countries, accounting systems for environmental taxes, such as carbon taxes, environmental pollution, have been developed. These systems are governed by specific standards, enabling countries to monitor the fulfillment of environmental obligations and support sustainable development.

Taxation is an important factor in achieving 10 of the 17 SDGs. The relationship between taxes and the SDGs covers four key areas:

- 1) taxes generate funds that finance government activities in support of the SDGs;
- 2) taxation affects equity and economic growth;
- 3) taxes influence people's behavior and choices, with consequences for health, gender equality, and the environment;
- 4) fair and equitable taxation promotes taxpayers' trust in government and strengthens the social contracts that underpin development [160].

It is worth noting that within the framework of the UN Agenda for Humanity for the period up to 2030, the Global Sustainable Development Goals (hereinafter referred to as the SDGs) cover a wide range of areas aimed at creating a more sustainable, just and environmentally safe world. These goals include reducing poverty, ensuring quality education, protecting the environment, ensuring access to clean energy, promoting economic growth, reducing inequality, supporting innovation, etc. The tax system plays an important role in achieving these goals, since it is through tax revenues that governments can finance projects and programs aimed at improving the quality of life, protecting ecosystems, developing infrastructure and supporting social programmes.

Thus, effective management and reform of tax systems are extremely important for achieving global sustainable development goals. Ukraine, like most countries in the world, is guided by international experience and is gradually adapting national tax accounting to global standards, however, accounting procedures in Ukraine have certain peculiarities due to the specifications of national legislation. For transnational companies, the standardization of tax accounting to an international scale is an important advantage, which ensures consistency and transparency of financial reporting. Ukraine still has to continue the processes of adapting accounting standards, which will contribute to improving the investment climate, increasing the transparency of the tax system and integration into the global economy.

It is established that the evolutionary development of tax systems and tax accounting is a complex and multifaceted process that reflects changes in the economic, social and political conditions underpinning the functioning of states over an extended historical period. It is proven that tax systems have undergone numerous stages of transformation, from simple fees in ancient societies to complex mechanisms of modern taxation that take into account the needs of economic growth, social justice and environmental sustainability. It is argued that the evolution of tax systems and tax accounting is a continuous process aimed at improving state regulation mechanisms and increasing the efficiency of fiscal policy, which contributes to achieving sustainable development goals both at the national and global levels. It is substantiated

that the evolution of tax systems and tax accounting has a significant impact on economic development, social stability and competitiveness of countries on a global scale. It is proven that modern tax systems, due to their progressiveness and adaptability, contribute to achieving economic sustainability, fair distribution of resources and stimulating innovation. Harmonised international accounting and taxation standards make it easier to do business globally, promoting economic integration and attracting investment.

1.3. Institutional and legal framework for the functioning of tax systems in EU countries

Tax systems play a key role in ensuring economic stability, financing public spending and maintaining social stability in the state. The tax system of any country is a set of taxes and fees that are directed to the state budget. However, the effectiveness of tax systems is often criticized because of their ability to distort economic decisions and influence the allocation of resources. Enhancement of tax systems aims to minimize their negative impact on economic development and ensure a fair distribution of the tax burden, which is a burning problem of modern economic policy in EU countries.

The peculiarity of the tax system of the EU country derives from the need, on the one hand, to ensure sufficient revenues to replenish the national budget of each member state of the European Union, and on the other hand, to avoid imbalances in the levels of tax revenues between individual EU members. In addition, each member state must take into account the specifics of its economy and social needs when developing tax policy, which adds complexity to the process of harmonising tax systems within the Union. Adhering to common European principles, each country builds tax policy based on its own priorities and interests [64, 65].

Research by M. Voloshchuk et al. suggests that there is no single tax system in the EU member states, but there are attempts to harmonise tax policy on indirect taxes

and approximate legislation on direct taxes. In the context of EU tax policy, two key areas of development are identified: promotion of tax competition, which includes the use of low effective tax rates and the establishment of favorable tax conditions to attract investment and business activity; and harmonisation of tax systems [64, 65]. However, full harmonisation is not always beneficial for EU member states. As J. Arnold points out, in EU countries the role of national banks is limited, so taxes remain the only instrument of influence on the economy. Some EU countries with traditionally high tax rates could lose a significant part of their budget revenues as a result of harmonisation, which would lead to a decrease in budget expenditures [102].

In contrast, R. Teezer contends that tax competition leads to lower tax rates and fosters economic liberalization. However, reducing rates does not always lead to a decrease in tax revenues and may, on the contrary, increase budget revenues. At the same time, tax competition does not ensure an efficient allocation of resources if the market does not work properly, since taxpayers will look for a country with favorable tax conditions to receive public services [164]. In this context, the institutional framework of taxation plays an important role, which determines the rules, principles and mechanisms that ensure the effective functioning of tax systems and their adaptation to the economic conditions of the country.

In scientific economic sources there are no univocal views on the interpretation of the concept of "institution", since it is multifaceted and covers various aspects of socio-economic relations, in particular legal, political and cultural. Different researchers and scientific schools offer their own approaches to determining the content of this definition, which leads to a variety of interpretations and definitions (Table 1.2). Thus, the analysis of the works of domestic and foreign scholars gives grounds to assert that the institutional framework of taxation should be understood as a set of norms, principles, rules, as well as the activities of relevant bodies that determine, regulate and ensure the functioning of the tax system in the country. They include legislative and administrative mechanisms aimed at ensuring a fair, effective and transparent taxation process.

Table 1.2

**Interpretation of the concept of "institution" in the context
of the formation and functioning of tax systems**

Author	Definition
J. Hodgson [141]	Institutions, along with the standard restrictions described by economic theory, shape the opportunities that members of society have. Organizations are created in order to use these opportunities.
V. Zvonar [33]	The institution is the basic regulator of social behavior, secondly, the institutional structure as a set of norms that operate in society and direct its development, thirdly, the institutional environment as a main spiritual position or idea of the way of life in society.
O. Kyrylenko [37]	Institutions encompass formal and informal norms that regulate relations between economic entities and establish the necessary organizational structures to achieve specific objectives.
V. Khymynets [87]	Institutional support is a purposeful systematic influence of state authorities aimed at ensuring high social, economic and environmental standards of existence of the population.
R. Shchava [93]	The institutional foundations of effective fiscal policy are associated with stimulating economic growth of the world economy as a whole and the national economy in particular, taking into account the globalisation of the world economy.
G. Ivanova [34]	Institutional and legal foundations are an important factor in the intellectualization of legal processes.
L. Zhukova [31]	The institutional field assumes the presence of certain economic institutions that determine the rules of the game in the market and ensure their observance, play an important role in shaping economic policy, creating conditions for economic growth and ensuring the stability of the economic system.
L. Kolesnik [41]	The institutional process in taxation is aimed at regulating tax relations. It can be part of the financial process as an independent institute regulating tax and procedural relations.
I. Sazonets [73]	The institutional foundations of taxation should be understood as a set of norms, principles, and rules regulating tax relations.

Source: constructed by the author.

The institutional framework of taxation includes several key components, each of which plays an important role in ensuring the efficiency, fairness and transparency of the tax system. The legislative framework includes laws and regulatory legal acts that regulate tax rates, benefits, taxpayer obligations and the powers of tax authorities. Legal norms create the basis for tax administration, which in turn is conducted by tax authorities responsible for collecting taxes, administering tax obligations, conducting tax audits and ensuring compliance with tax legislation. At the same time, tax

principles such as fairness, efficiency, transparency, and accountability determine how taxes should be collected and used.

In addition, other components of the institutional framework for taxation are control and accountability mechanisms that ensure compliance with tax legislation by all participants in tax relations. An effective monitoring system promptly detects violations, minimizes the risks of tax evasion, and creates conditions for timely adjustments to tax policy. No less important is the introduction of digital technologies into tax administration, which contributes to the automation of processes, simplifies interaction between taxpayers and tax authorities, and increases the transparency of financial transactions. All this works within a clearly defined institutional framework that must be flexible to adapt to changes in the economy, while stable to provide trust and predictability for taxpayers. Thus, the institutional framework for taxation is a key element in forming a tax culture, supporting economic stability, and ensuring sustainable development (Figure 1.5).

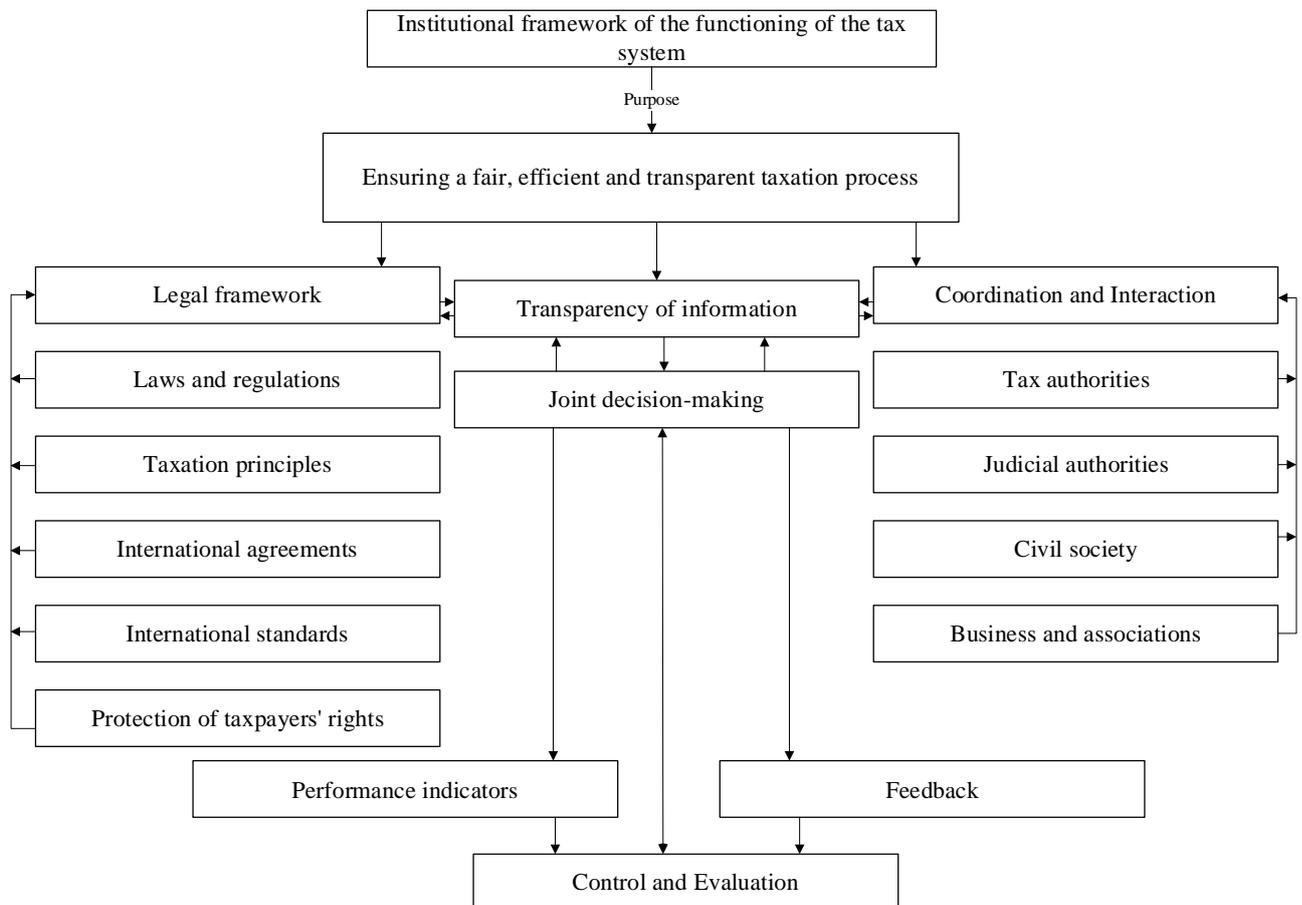


Fig. 1.5. Institutional basis of the functioning of the tax system

Source: own research.

International agreements and standards play an important role in regulating interaction between countries on taxation, including avoidance of double taxation, exchange of information and cooperation in the tax field, and contribute to the harmonisation of tax policy at the international level. T. Kostiuk notes that they provide a legal framework for cooperation between countries in the field of taxation, which is important for avoiding tax abuse, double taxation and promoting transparency in global financial transactions [45]. The main aspects covered by international agreements in the context of taxation include:

- double taxation agreements, which define the principles by which profits and income earned in one country should not be taxed twice in another country, regulate the allocation of taxing rights between countries and establish mechanisms for resolving tax disputes;

- exchange of tax information between tax authorities of different countries facilitates the detection and prevention of tax abuses, while also enhancing transparency of financial transactions;

- automatic exchange of information between countries, which allows them to obtain data on the income and assets of their citizens abroad without the need for information requests;

- international tax cooperation, within the framework of which, organizations such as the Organization for Economic Cooperation and Development (OECD), work on the development of international standards and recommendations for tax policies that promote fair and effective taxation at the global level;

- combating tax evasion includes measures to prevent the transfer of profits to low-tax jurisdictions [66].

International agreements provide a reliable institutional framework for the functioning of tax systems, promote economic cooperation, increase transparency and fairness in the global context, and strengthen trust in tax authorities.

The judicial system is an important component of the institutional framework for taxation, since, as T. Koshchiuk argues, it ensures the resolution of disputes

between taxpayers and tax authorities, compliance with the law and protection of taxpayers' rights. In addition, the judicial system contributes to the creation of a stable and predictable tax environment, which is important for attracting investment and developing entrepreneurship. It also plays a key role in ensuring respect for human rights and the rule of law, which strengthens citizens' trust in the tax system and state institutions in general. An effective and independent judicial system is the basis for fair and transparent taxation, which contributes to economic growth and social development [46].

In all EU member states, as evidenced by the research of M. Voloshchuk et al., tax authorities are responsible for overseeing the accuracy, completeness and timeliness of tax payments. Tax authorities around the world may have different names: tax administration, tax service, tax inspection, tax council, etc. Regardless of the name, their main task is to ensure compliance with tax legislation, carry out tax audits, collect tax payments and provide consulting services to taxpayers. They are also responsible for conducting investigations of tax crimes, combating tax abuse and tax evasion. In the process of their activities, they may interact with other national and international organizations to ensure effective tax control [64].

In many countries, tax authorities use modern technologies and analytical tools to improve the efficiency of their work and ensure the transparency of the taxation process. Thus, tax authorities play a key role in the functioning of tax systems and ensuring the financial stability of states [64, 65]. N. Baliuk's research suggests that a new European System of Financial Supervision (hereinafter - ESFS) has been formed in the EU, the key institutions of which at the European level are the European Systemic Risk Board (hereinafter - ESRB) and sectoral bodies created at the proposal of the European Commission [2].

Civil society, business and various associations participate in the discussion and development of tax policy in the EU Member States, protect the interests of taxpayers and promote transparency and accountability of the tax system. Their interaction with other institutions ensures the coherence and effectiveness of the tax system, which contributes to economic development and social stability in the EU. The active

participation of civil society, business and associations in the processes of formulating and refining tax policy facilitates the consideration of different viewpoints, ultimately leading to more balanced and equitable decisions.

Through partnership with the government, N. Baliuk's research suggests that these organizations can help adapt the legislative framework to the real needs of business and the population, thereby ensuring the efficiency of tax administration. This approach, according to the researcher, helps strengthen trust in state institutions, which is a key factor for stable economic growth and attracting investment. In addition, involving civil society in discussing tax issues increases the level of tax culture among the population, which in turn contributes to a more conscious and responsible attitude towards paying taxes. This relationship and cooperation are important elements for creating a sustainable and transparent tax system that meets the needs of modern society [2].

Transparency of information, or transparency, is one of the key components of the effective functioning of the tax system. A transparent tax system helps increase citizens' trust in state institutions, ensures fair taxation, and reduces opportunities for tax abuse. A schematic representation of the process of ensuring information transparency in the functioning of the tax system is illustrated in Fig. 1.6.

Control and assessment of the efficiency of the tax system functioning, along with the feedback from stakeholders in tax relations, are essential factors of its operation. Oversight over the correctness of the determination, completeness and timeliness of tax payment is conducted by tax authorities, which conduct tax inspections, audits and reviews. According to E. Dulyba, enables the identification of violations, the prevention of tax abuse and the assurance of fair tax, thus ensuring equal conditions for all taxpayers [28].

Assessment of the efficiency of the tax system enables to analyze its work and identify strengths and weaknesses, which includes an analysis of tax revenues, the level of compliance with tax legislation as well as the efficiency of tax collection and administration. G. Didkivska argues that such an assessment allows the government to make informed decisions regarding tax policy and reforms [26]. Feedback from

taxpayers, civil society and business associations is important for improving the tax system. According to V. Ishchenko, it facilitates identification of problems and shortcomings in taxation, as well as a receipt of proposals for improvement. It should be noted that, feedback from stakeholders helps to increase the transparency, fairness and efficiency of the tax system [35]. Thus, effective management of the tax system requires constant monitoring, regular assessment of efficiency indicators and active use of feedback from all stakeholders.

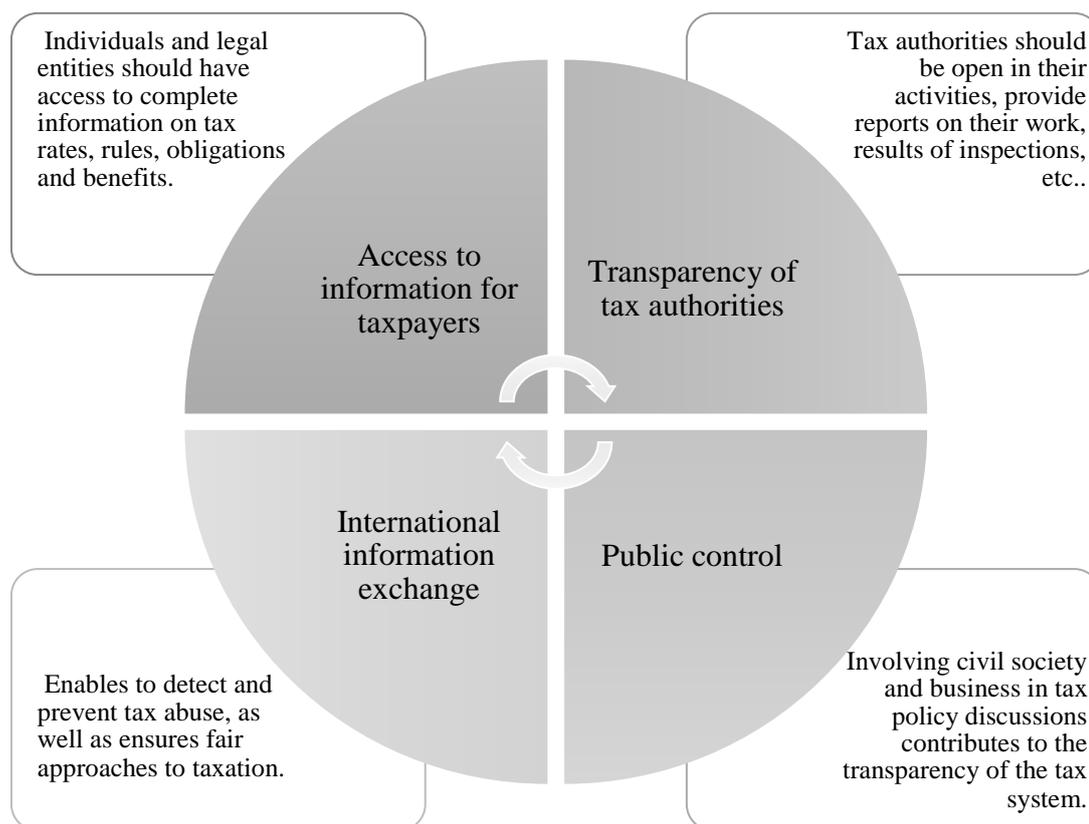


Fig. 1.6. Ensuring transparency of information in the functioning of the tax system

Source: own research.

The legislative framework, as N. Lesko notes, creates a legal basis for the functioning of the entire tax system, ensures predictability and stability of taxation processes, as well as protection of the rights and interests of both the state and taxpayers [52]. Regarding the functioning of the EU tax system, particularly in the areas of tax administration and cooperation between tax authorities, it is important to consider Regulation (EU) 2021/847103, which establishes the Fiscalis programme for

cooperation in the field of taxation. This Regulation notes that the previous regulation, which launched the Fiscalis 2020 programme, contributed to strengthening cooperation between tax authorities within the European Union. The Fiscalis programme has been updated for the period 2021-2027, with a budget of € 269 million. It is aimed at assisting Member States in developing and managing key trans-European tax systems and information technologies in this area, combating tax fraud, tax evasion, and improving the tax collection system [138].

The European Commission is the body responsible for implementing the programme. It is assisted by the Fiscalis Programme Committee, which consists of representatives from each EU country. The key objectives of the Fiscalis programme for the period 2021-2027 are focused on:

- *supporting the work of tax authorities.* The programme ensures the development and support of modern technologies and tools that help tax authorities perform their functions more effectively. This includes the implementation of the latest IT solutions, the automation of processes and the improvement of tax data processing quality;

- *promoting the competitiveness of the EU and fair competition in the EU.* The effective functioning and unification of tax systems ensure the creation of equal conditions for businesses in all EU Member States, thereby enhancing the competitiveness of enterprises;

- *enhancing tax collection mechanisms.* The use of modern technologies and analytical tools enhances the efficiency of tax collection, reduce the level of tax evasion and ensure proper implementation of tax legislation;

- *protecting EU Member States from tax fraud.* The programme includes the development and implementation of measures aimed at combating tax crimes, including cooperation between tax authorities to exchange information and experience;

- *preventing tax evasion.* Thanks to the automatic exchange of information between tax authorities of Member States, tax evasion schemes are detected and prevented;

– *developing tax policy and implementing EU legislation on taxation.* The programme contributes to the harmonisation of tax systems of Member States, which ensures uniform taxation standards and reduces the possibility of tax avoidance;

– *promoting cooperation between tax authorities, including the exchange of tax information and the development of European electronic systems.* The programme supports the creation and development of integrated IT systems that ensure the efficient exchange of information and enhance cooperation between tax authorities [138].

It is important to note that the Fiscalis programme is primarily intended for EU countries, but is also open to other countries, including candidate and potential candidates countries, in accordance with the general principles and general conditions for the participation of these countries in EU programmes; European Neighbourhood Policy countries, based on the general principles and general conditions; and other countries, as outlined in a specific agreement governing the participation of a third-country in any EU programme [138].

Under the Fiscalis programme, the European Commission develops and supports interoperable and cost-effective IT solutions to assist tax authorities in the combating tax evasion, contributing to the EU's competitiveness by stimulating innovation and fostering the creation of new economic models. To this end, tax expert groups from different EU Member States are being formed to collaborate on operational issues, develop e-learning courses on topics of common interest to tax administrations, facilitate IT cooperation and promote the development of human resources to improve administrative efficiency [138].

The legal framework for functioning of the tax systems in the EU countries is based on various principles and norms that govern cooperation between Member States in the field of taxation, as outlined in the relevant EU regulations. A key document in the field of EU taxation is Decision 1482/2007/EC, which established a Community programme, aimed at improving the functioning of taxation systems in the internal market. According to the provisions of this decision, the EU internal market should be subject to effective, uniform and efficient application of Community legislation, which is important for the operation of the tax systems of the EU countries – particularly for

the protection of national financial interests by combating tax evasion and reducing the burden on administrations and taxpayers [124].

Regulation (EU) 2021/847, which establishes the Fiscalis programme for cooperation in the field of taxation and repeals Regulation (EU) No 1286/2013, provides EU Member States with the conditions for developing cooperation in the field of taxation on a bilateral or multilateral basis [155]. This regulation has been implemented in the national legislation of all EU Member States. The Multiannual Work Programme 2021-2027 describes the measures that will be implemented to meet the tax needs of EU Member States while supporting tax policy objectives at EU level [151].

The second Fiscalis work programme for cooperation in the field of taxation, adopted under Regulation (EU) 2021/847, covers the implementation period 2024 to 2025. It aims to assist tax authorities in enhancing the functioning of the internal market, promoting the competitiveness of the Union and fair competition in the EU, protecting the financial and economic interests of the Union and its Member States, safeguarding those interests against tax fraud, tax evasion and tax avoidance, and to improve tax collection [101]. Annex C (2022) 9289, on the 2021-2023 work programme for the Fiscalis programme, outlines the mechanisms for providing financial support to the tax authorities of the EU Member States to enhance administrative and IT cooperation. This support contributes to the improving data analysis tools and other solutions to enhance the use of tax information [100].

It is important to note that, in the field of taxation, Regulation (EU) 1286/2013, which established an action programme to improve the operation of taxation systems in the EU ('Fiscalis 2020'), was in force during the programming period 2014-2020. This regulation significantly contributed to enhanced cooperation between tax authorities within the European Union through the development of European information systems, joint actions for tax authorities, and training initiatives that supported the implementation of the Europe 2020 strategy. Smart, sustainable and inclusive growth by strengthening the operation of the internal market, creating a basis for supporting economic activity, by facilitating the administrative capacity of tax

authorities, technical progress and innovation - became the key results of such cooperation. By establishing a foundation for activities aimed at improving the efficiency of tax authorities, strengthening the competitiveness of businesses, promoting employment and protecting the financial and economic interests of the Union's Member States and taxpayers, Fiscalis 2020 reinforced the EU's internal taxation system [156].

For the period 2014-2020, the Fiscalis programme had a budget of €223.2 million. The programme supported cooperation between Member States' tax administrations in the combat against tax fraud and tax evasion by establishing better and more connected IT systems, including the development and maintenance of interoperable and cost-effective IT solutions to support tax authorities in enforcing EU law; the exchange of best practices and training to enhance efficiency and prevent unnecessary administrative burdens for citizens and businesses in cross-border transactions; the development of joint actions in risk management and audit; and the enhancement of the EU's competitiveness, stimulating innovation and facilitating the introduction of new economic models [138].

Thus, the Fiscalis programme is an essential tool for enhancing the functioning of the tax systems of the EU countries, promoting cooperation between tax authorities and increasing the efficiency of their work. Thanks to the Fiscalis programme, the EU strengthens its tax system, ensuring economic growth, innovation and protection of the financial interests of the European Union and its Member States. It facilitates tax administration and strengthens cooperation between tax authorities of the EU countries. The implementation of programme ensures effective combat against tax fraud, tax evasion and tax avoidance. The programme also promotes innovative development, enhances the quality of tax data processing and increasing administrative efficiency. It is important to note that the Fiscalis programme opens up new opportunities for the integration of tax systems and harmonisation of legislation, which in turn contributes to the competitiveness of the EU and enhancing the quality of life of its citizens.

The study has shown that tax systems in the European Union countries are of key importance for financing public spending, maintaining social stability and economic development. Although based on common European principles, the tax system of each member state is shaped by national priorities and economic conditions. It has been established that the harmonisation of tax systems within the EU aims to converge tax legislation, particularly in the field of indirect taxes, to prevent tax imbalances. However, the complete unification of the system faces resistance, since some countries with higher spending may lose part of their budget revenues.

It is argued that the institutional framework for taxation ensures the effective functioning of the tax system through several mechanisms: the legislative framework, legal norms, principles of fairness, transparency, and accountability. International agreements on the elimination of double taxation and the exchange of information strengthen tax responsibility between countries, increasing transparency in global financial transactions. The Fiscalis programme plays a crucial role in fostering cooperation between tax authorities of the EU Member States. Regulation (EU) 2021/847103 became a key document that updated the previous regulation and proposed new mechanisms to enhance tax administration and cooperation between tax authorities. The Fiscalis 2021-2027 programme with a budget of EUR 269 million and is aimed at assisting Member States in the development and management of trans-European tax systems and information technologies. Thus, it is argued that the effectiveness of the functioning of tax systems in EU countries depends on the harmonisation of legislation, international cooperation, effective tax administration, and a reliable judicial system, which ensures the financial stability of states and promotes economic growth and social development.

Conclusions to Chapter 1

1. The synthesis of scientific literature has revealed that an effective tax system is a crucial component of a country's economic stability and development, as it ensures budget revenue, promotes social justice, and promotes economic growth. The

establishment of such a system requires a balanced approach, considering both national characteristics and international experience. The tax system must be adaptable to changes in the economy and society, as well as capable of responding promptly to economic crises or other unforeseen circumstances. Simple and clear tax procedures reduce the likelihood of errors and facilitate the tax collection process for both taxpayers and tax authorities. Adherence to taxation principles such as universality, fairness, predictability, and ease of payment supports the achievement of tax policy objectives, including ensuring stable budget revenues, income redistribution, stimulation of economic growth, control over inflation, and the promotion of environmental initiatives.

2. It has been established that the evolution of tax systems and tax accounting is a complex and multifaceted process that reflects changes in the economic, social, and political conditions of states over an extended historical period. It is evident that tax systems have undergone numerous stages of transformation, evolving from simple fees in ancient societies to the intricate mechanisms of modern taxation that address the needs of economic growth, social justice, and environmental sustainability. It is argued that the evolution of tax systems and tax accounting is a continuous process aimed at enhancing state regulation mechanisms and improving the efficiency of fiscal policy, thereby contributing to the achievement of sustainable development goals at both the national and global levels. The evolution of tax systems and tax accounting is shown to have a significant impact on economic development, social stability, and the global competitiveness of countries. Modern tax systems, through their progressiveness and adaptability, have demonstrated enhancement of economic sustainability, equitable resource allocation, and innovation. Harmonised international accounting and taxation standards facilitate global business, promote economic integration, and attract investment.

3. The study has shown that the tax systems of European Union countries are crucial for financing public expenditure, maintaining social stability, and promoting economic development. While the tax systems of each Member State are based on common European principles, they are developed with consideration of national

priorities and economic conditions. The harmonisation of tax systems within the EU aims to align tax legislation, particularly in the area of indirect taxes, thereby preventing tax imbalances. However, complete unification may encounter resistance, as countries with high levels of public spending could face a reduction in their budget revenues.

4. It is argued that the institutional framework for taxation ensures the effective functioning of tax systems through various mechanisms, including the legislative framework, legal norms, and the principles of fairness, transparency, and accountability. International agreements on the avoidance of double taxation and the exchange of information enhance tax responsibility between countries and increase transparency in global financial transactions. It has been established that the Fiscalis programme plays a critical role in fostering cooperation among the tax authorities of EU Member States. Regulation (EU) 2021/847, a key document that updated the previous regulation, introduces new mechanisms to improve tax administration and enhance cooperation between tax authorities. The effectiveness of tax systems in EU countries is largely dependent on the harmonisation of legislation, international cooperation, efficient tax administration, and a reliable judicial system — factors that ensure financial stability, economic growth, and social development.

CHAPTER 2

CURRENT STATE AND STRATEGIC PRIORITIES FOR THE DEVELOPMENT OF TAX SYSTEMS AND TAX ACCOUNTING IN THE EU COUNTRIES

2.1. Analysis of the state of tax systems and tax accounting of individual EU countries

The current state of the tax systems of individual EU countries is a subject of special attention, as it plays a crucial role in ensuring economic stability, social justice and environmental sustainability of the Commonwealth of States. Each EU country has its own unique features and challenges that affect the tax system structure and efficiency. An analysis of the state of the individual EU countries' tax systems will enable to understand the ways new reforms are implemented to improve the tax systems and respond to new economic and social challenges.

European tax systems are trying to balance budget requirements after the pandemic and energy crisis, as well as to meet the challenges of an ageing population, digitalisation and climate change. Significant attention is being paid to reducing aggressive tax planning and ensuring compliance with tax laws. Environmental taxes and measures to reduce tax exemptions, especially for large corporations, are becoming increasingly important alongside traditional labour and consumption taxes. All these initiatives are aimed at creating simple, transparent and stable tax systems that promote innovation, productivity and economic growth in an environment of heightened geopolitical tensions. According to the latest taxation report for 2024, the average tax burden in EU countries constitutes 40.2% of GDP. The highest level of tax revenues is recorded in France (46.2% of GDP), while Ireland has the lowest level (20.9% of GDP) [152].

The size of the corporate income tax rate in the EU countries varies considerably, which affects the decision of enterprises to locate their facilities. VAT rates differ as well, and there exist differences in the taxation of personal income (Table 2.1).

Table 2.1

Rate of key budget-forming taxes in 10 EU countries, %

№	Country	VAT	Income tax	Personal income tax (total annual income)
1	Denmark	25	22	up to DKK 549,900 – 8 %, DKK 549,901 - DKK 849,000 – 22%, over DKK 849,000 – 52.06%
2	France	20	28 maximum rate	up to EUR 10,777 – 0%, EUR 10,777 - EUR 27,478 – 11%, EUR 27,478 - EUR 78,570 – 30%, EUR 78,570 - EUR 168,994 – 41%, over EUR 168,994 – 45%
3	Austria	20	24	up to EUR 11,000 – 0%, EUR 11,001 - EUR 18,000 – 20%, EUR 18,001 - EUR 31,000 – 32.5%, EUR 31,001 - EUR 60,000 – 42%, EUR 60,001 - EUR 90,000 – 48%, EUR 90,001 - EUR 1,000,000 – 50%, over EUR 1,000,000 – 55%
4	Spain	21	25	up to EUR 12,450 – 9.5%, EUR 12,450 - EUR 20,200 – 12%, EUR 20,200 - EUR 35,200 – 15%, EUR 25,200 - EUR 60,000 – 18.5%, EUR 60,000 - EUR 300,000 – 22.5% over EUR 30,000 – 24.5% (24% for non- residents)
5	Belgium	21	25	up to EUR 15,200 – 25%, EUR 15,200.01 - EUR 26,830 – 40%, EUR 26,830.01 - EUR 46,440 – 45%, over EUR 46,440.01 – 50%
6	The Netherlands	21	25,8	up to EUR 37,149 – 9.28%, EUR 37,149 - EUR 73,031 – 36.93%, over EUR 73,031 – 49.5%
7	Greece	24	22	up to EUR 10,000 – 9%, EUR 10,001 - EUR 30,000 – 22%, over EUR 30,000 – 28%
8	Poland	23	19	up to EUR 26,146.6391 – 12%, over EUR 26,146.6391 – 35%
9	Slovakia	20	21	19
10	Estonia	20	20	20

Source: based on [162].

Denmark is known for its strict taxation system, which, due to its high tax rates, allows financing social infrastructure and providing quality public services in spheres of healthcare and education. The main elements of the tax system include personal income tax, corporate tax and a number of indirect taxes. The personal income tax system is progressive, meaning that the higher the income, the higher the tax rate is.

The maximum personal income tax rate is 52.06% in 2024, together with the additional pension tax (AM tax) it reaches 55.89%. Taxes are levied on the following types of income: salaries, pensions, profit of self-employed individuals, as well as dividends and interest from securities ownership. The system has many opportunities for discounts and deductions, helping to reduce the overall tax burden. The corporate tax in Denmark is set at 22%, which is lower compared to many other EU countries. Denmark also avoids double taxation for companies with overseas branches, which makes the country attractive for business [143].

Indirect taxes account for a significant portion of the country's revenues, with revenues coming from the 25% value added tax (VAT), excise and customs duties. In Denmark, VAT is included in the price of almost all goods and is also levied on services, such as bicycle or car repairs, hairdressing, etc. Goods subject to excise duty include wine and beer, batteries, chocolate, sweets and soft drinks. Another relevant issue for Denmark is the so-called "Green" taxes, which are levied for the use of society's resources. The more resources you use, the more green taxes you will have to pay. The idea is to make citizens limit their consumption and thus preserve natural resources. For instance, green taxes are levied on petrol, oil, electricity, water and wastes. If the price of petrol increases, people will drive less, and it will limit the environmental impact. Lower green taxes are imposed on environmentally friendly cars, which are less polluting and more fuel efficient.

Taxes in Denmark are administered through automatic withholding from employees' salaries by employers. Foreigners are required to obtain a tax card to work in the country, otherwise the maximum tax rate will be deducted. Although tax rates in Denmark are among the highest in the world, this is offset by access to quality public services and a high level of social security [143].

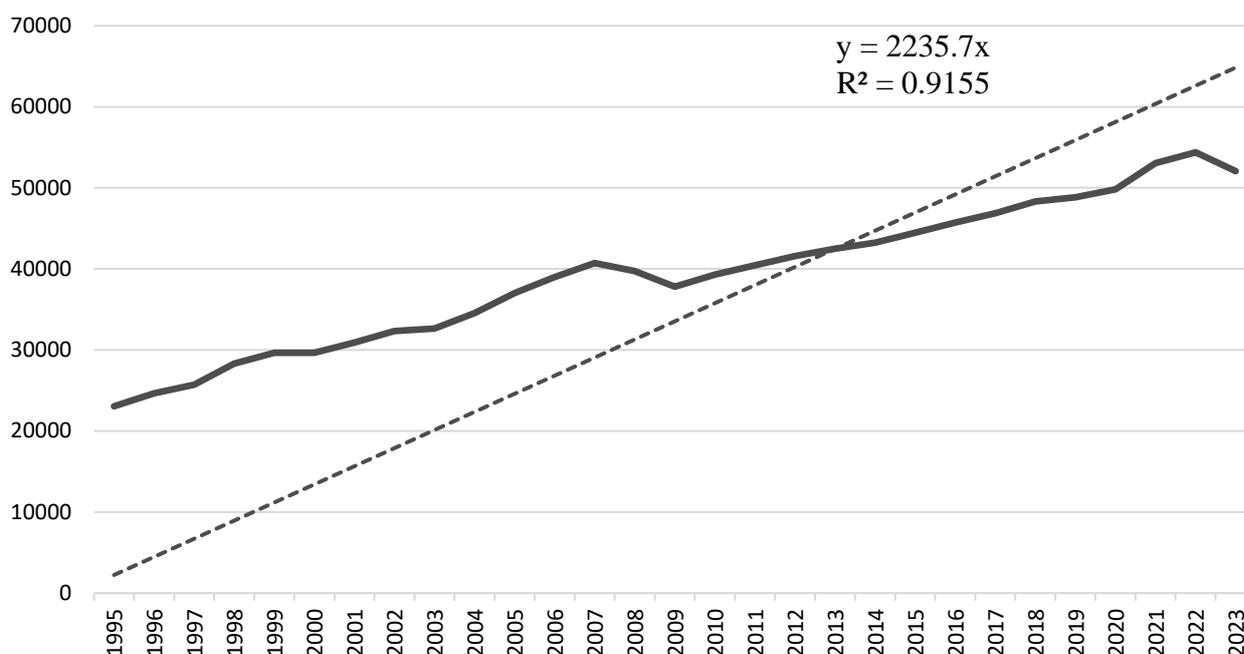


Fig. 2.1. Dynamics of revenues from levying taxes on production and imports to the Danish budget, EUR million

Source: based on [136].

Tax revenues from production and imports in Denmark increased from EUR 23,050.4 million in 1995 to EUR 52,062.6 million in 2023, which ensures the country's stable economic growth (Fig. 2.1). The maximum revenue indices of EUR 54,383.2 million were reached in 2022, that indicates to effective tax administration, positive changes in the country's tax legislation and increased economic activity of producers. The average revenue of EUR 39,183.414 million and the high coefficient of determination (0.9155) prove the long-term predictability and stability of the Danish tax system, although the standard deviation (EUR 8,681.065 million) indicates the variability of tax revenues over the period under study. Overall, Denmark demonstrates the ability to adapt its tax policy to economic challenges, ensuring sustainable development, financial stability and support for social initiatives.

The Austrian tax system is characterised by progressive personal income tax rates that vary from 20% to 55% depending on the amount of income, a significant role of social contributions and a variety of additional taxes. Social insurance contributions are mandatory for both employees and employers. They include pension insurance (up

to 22.8% for employees), sickness insurance (around 7.65%) and unemployment insurance (6%). Employees also pay contributions to the Chamber of Labour (0.5% of gross income) and housing contributions (1%). Corporate tax is levied on company profits, with a minimum level depending on the company type. For instance, a corporate tax for a GmbH (equivalent to LLC) equals to EUR 1,750 per year. The standard rate of value added tax (VAT) is 20%, with reduced rates of 13% and 10% applicable to certain goods and services, such as food, medical goods and tourism services. Real estate sales tax has a standard rate of 3.5% on the value of real estate, but for sales between relatives the rate is 2%. The inheritance and gift tax has been abolished, but there is a property transfer tax in case of its sale [105].

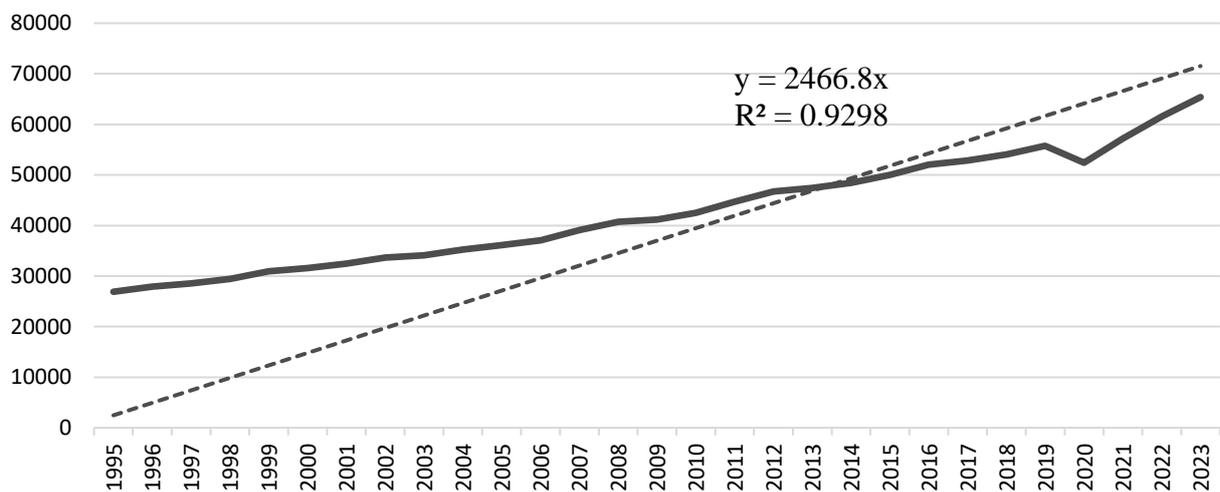


Fig. 2.2. Dynamics of revenues to the Austrian budget from levying taxes on production and import, EUR million

Source: based on [136].

Analysing the indices of Austria's budget revenues from production and import taxes for the period from 1995 to 2023, several important conclusions can be drawn (Figure 2.2). Due to the country's economic growth, increased tax collection efficiency, as well as positive changes in tax legislation the revenues increased from EUR 26,897.6 million in 1995 to EUR 65,393.8 million in 2023. The average value of tax revenues for the period analysed is EUR 42,619.541 million. The figures indicate to the gradual increase in revenues, and the average level of tax revenues was quite high. The standard

deviation of EUR 10,687.336 million indicates some fluctuations in annual revenues, which may be due to economic cycles, changes in tax policy or other external factors.

The French taxation system is characterised by mandatory tax obligations, and social orientation, benefits and a clear system of discounts simultaneously. All taxes in France are divided into 3 groups:

- income taxes (including income tax paid by individuals, corporate income tax, and luxury tax);
- expenditure taxes (VAT and excise duties);
- local taxes (tax on land without buildings, tax on land with buildings, estate tax [123]).

According to the French Law on Finance, France has a progressive personal income tax rate. In particular, if the total annual taxable income of an individual is up to EUR 10,084, then a 0% tax rate is applied, in the range from EUR 10,084 to EUR 25,710 - 11% respectively, from EUR 25,710 to EUR 73,516 - 30%, from EUR 73,516 to EUR 158,122 - 41%, from EUR 158,122 - 45%. The income tax rate for non-resident individuals in France is 0% in case the total annual income does not exceed EUR 15,018, 12% (8% for overseas departments) in case the total annual income is between EUR 15,018 and EUR 43,563, and 20% (14.4% for overseas departments) if it is over EUR 43,563 [99].

The amount of tax on the acquisition and registration of real estate depends on the type of property: for real estate objects older than 5 years, it is about 8%, and for properties less than 5 years old, it is about 4% of the value. New buildings are exempt from tax for 2 years. This category also includes rebuilt premises intended for residential or commercial use. Real estate tax is levied on the owner or lessee of real estate, and the amount of payment depends on the rental cadastral value of the property. The estate tax depends on the amount of the taxpayer's income (this tax is paid by both owners and tenants) and the value of the property. Commercial property owners are exempt from estate tax in France. The property tax is payable in case the capital in France (real estate and bank funds) exceeds EUR 700,000. The tax rate is 0.55-1.80% of the property value and is paid annually. Capital gains tax on the resale of property

in France is levied on the difference in value. If the sale takes place in the first year after the purchase, the tax rate is about 33 %, and it decreases every year [99].

Taxes for legal entities in France primarily consist of corporate income tax, which is based on profits. The Law of France on Finance (2024) implements Council Directive (EU) 2022/2523 of 14 December 2022 to ensure a minimum level of taxation (15%) for multinational companies and large internal groups of companies within the EU with a consolidated turnover of EUR 750 million or more in at least two of the four preceding financial years. The GloBE Information Return (GIR) must be filed within 15 months after the end of the financial year. Late submission of the GIR or failure to submit it will result in a fine of EUR 100,000 [114].

Indirect taxes to the French budget have a significant impact on the state economic stability and financial capacity. They include general sales taxes, such as VAT, as well as excise taxes on certain goods, such as fuel, alcohol and tobacco. With these revenues, the government can finance social programmes, infrastructure projects and other important initiatives that contribute to the general welfare of the population.

During 1995-2023, sales tax revenues to the French budget showed significant fluctuations from a decrease in revenues in 1996 (EUR 168,4 million) to a gradual increase in subsequent years (Figure 2.3).

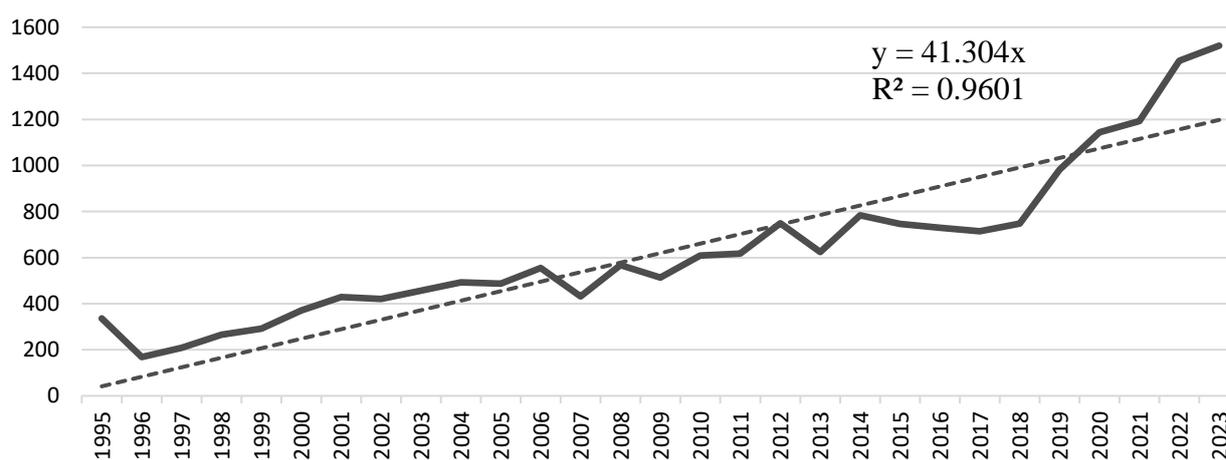


Fig. 2.3. Dynamics of sales tax revenues to the French budget, EUR million

Source: based on [136].

Since 2005, there has been a steady increase in sales tax revenues to the French budget, although fluctuations are still significant. For example, in 2007, revenues decreased to EUR 432 million, but in 2008 they increased to EUR 567,4 million. A significant increase in tax revenues is observed in 2019 (EUR 982 million) and continues until 2020 (EUR 1,144 million), which may be due to the impact of the COVID-19 pandemic and economic support measures that have increased tax revenues. Recent years have shown a steady and considerable growth in this type of revenue, indicating to the improvement of economic situation and the effectiveness of tax policy.

France's Law on Finance (2024) provides for a tax credit to stimulate investment in the industry green sector. The new tax credit is only available to industrial and commercial companies that meet certain criteria. For example, in order to meet the requirements, a company must commit to making the relevant investments in France for at least 5 years and not to relocate its activities outside France for at least 5 years. Depending on the location of the investments, the tax credit rate will range from 20 % to 40 % of the investment. These rates are increased by 10 percentage points (i.e. from 30% to 50%) for investments made by medium-sized enterprises and by 20 percentage points (i.e. 40% to 60%) for investments made by small enterprises. Total amount of tax credit is limited to EUR 150 million per enterprise. The tax credit is included in the company's corporate income tax for the financial year during which the relevant investment was acquired. The unused tax credit is refundable [99].

Thus, the French taxation system is distinguished by mandatory and social orientation, flexible systems of benefits and discounts. The main categories of taxes in France include income taxes, expenditure taxes and local taxes. Personal income is taxed on a progressive scale depending on the total annual income at tax rates ranging from 0% to 45%. Real estate is taxed depending on its age and type at rates ranging from 4% to 8%, and new constructions are exempt for 2 years. The main tax for legal entities is corporate income tax. Since 2024, France has been implementing the EU Directive on ensuring a minimum level of taxation (15%) for large multinational companies and groups of enterprises. In addition, granting a tax credit is envisaged to

stimulate investment in the industry green sector. Overall, the French tax system creates conditions for socially oriented development and stimulation of investments in sustainable development.

Luxembourg is a small, but one of the richest countries in the EU. In Luxembourg, personal income taxation is primarily based on the residency status. Residents' income subject to tax in case the sources of this income is of worldwide origin, while non-residents pay tax on income derived from sources within Luxembourg. The determination of residence status depends on various factors, including physical presence, permanent residence, etc.

Luxembourg has a progressive personal income taxation scale with tax rates ranging from 0% to 42%. Tax groups are periodically adjusted taking into account inflation. The taxable income includes salaries, rental income, dividends, capital gains and other sources. The following exemptions or discounts are available to the residents: exemptions for dependent family members, mortgage interest and professional expenses. Expatriates may benefit from special tax regimes, for example, when they work as highly skilled workers or researchers [147].

Mandatory social insurance contributions are an essential tax item for employees. The contribution rate for sickness constitutes 2.8%, and for pension accrual, it is 8% of the total income. Additionally, the so-called child maintenance contribution, which is set at a fixed rate of 1.4%, is paid in Luxembourg. The child maintenance contribution in Luxembourg is generally used to fund social programs and services that provide support to children and families. The main objectives include financing schools and educational programs for children, ensuring access to medical services for children and mothers, supporting low-income families, and funding kindergartens and preschool institutions. Overall, this contribution helps ensure the welfare and development of children in Luxembourg by providing them with access to essential services and resources [148].

The progressive scale of personal income taxation applicable in Luxembourg is illustrated in Table 2.2. In case the employer provides the employee with a house or apartment, he pays at least 75% of the rent; if he also provides furniture for the

dwelling, the value of the assistance increases by 10%. If the employer pays electricity bills and other charges, they should be added to the payment at their nominal value. In case the employee rents a house or apartment and pays the rent, the rent reimbursement by the employer is fully taxed as remuneration. A number of items, such as savings on debit interest for a loan with a reduced or zero interest rate provided by the employer (within certain limits), and additional salary for overtime payments under certain conditions, are exempt from taxation [148].

Table 2.2

Progressive scale of taxation of resident income in Luxembourg

Personal income tax (total annual income), EUR	Progressive tax rate, %
from 0 to 11,265	0
from 11,265 to 13,173	8
from 13,173 to 15,081	10
from 15,081 to 16,989	12
from 16,989 to 18,897	14
from 18,897 to 20,805	16
from 20,805 to 22,713	18
from 22,713 to 24,621	20
from 24,621 to 26,529	22
from 26,529 to 28,437	24
from 28,437 to 30,345	26
from 30,345 to 32,253	2
from 32,253 to 34,161	30
from 34,161 to 36,069	32
from 36,069 to 37,977	34
from 37,977 to 39,885	36
from 39,885 to 41,793	38
from 41,793 to 100,000	39
Over 100,000	40
Luxury tax	9% for individuals earning over 150,000 euros.

Source: based on [147].

Luxembourg taxes the income of resident legal entities on a worldwide source basis, while non-residents are taxed only on income sourced from Luxembourg.

Enterprises with taxable income of less than EUR 175,000 pay corporate income tax at a rate of 15%. Enterprises with taxable income between EUR 175,000 and EUR 200,001 are subject to income tax calculated as follows: EUR 26,250 plus 31% of the tax base exceeding EUR 175,000. The corporate income tax rate is 17% for companies with taxable income exceeding EUR 200,001, resulting in an overall tax rate of 24.94% in the city of Luxembourg (considering a solidarity surtax of 7% to the income tax rate and including 6.75% municipal business tax applicable rate) [146].

Corporate taxation in Luxembourg is known for its attractiveness to many international companies. Luxembourg has one of the lowest corporate income tax rates in Europe, which is 21% (Fig. 2.4).

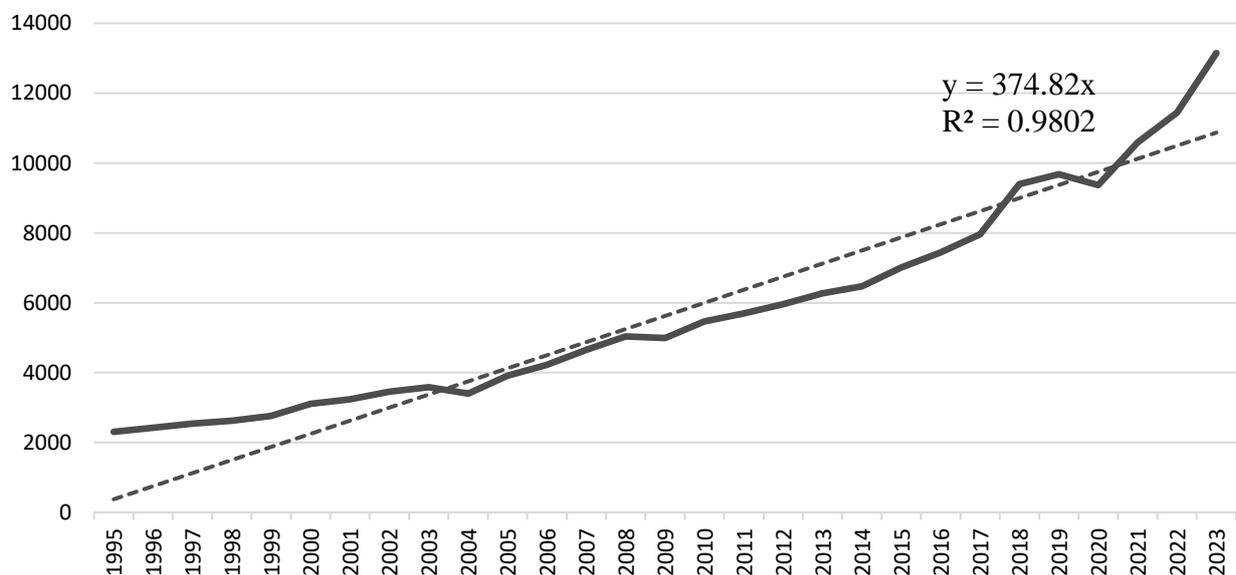


Fig. 2.4. Dynamics of corporate tax revenues to the budget of Luxembourg, EUR million

Source: based on [146].

The analysis of the dynamics of corporate tax revenues to Luxembourg budget for the period from 1995 to 2023 demonstrates significant and stable growth. In 1995, revenues amounted to 2306 million euros, and by 2023, they reached 13,147 million euros. Although the overall tendency is upward and a considerable increase was recorded in 2008 (5039 million euros), a slight decline occurred in 2009 (4991.2 million euros), which may have been influenced by the global financial crisis. The use

of a three-year moving average allows to mitigate these short-term fluctuations and reflect the long-term tendency more clearly. For example, in 1995-1997, the average value was 2423.13 million euros, while in 2021-2023, this figure amounted to 12,582 million euros. The high coefficient of determination ($R^2 = 0.9155$) confirms that approximately 91.55% of the changes in revenues can be explained by the time trend, indicating predictability and stability of growth.

Analysing the dynamics of corporate tax revenues to Luxembourg budget, it is important to pay attention to the role of external and internal factors that have influenced their stable growth. A substantial part of this growth can be explained by the development of the country's financial sector, as Luxembourg is one of Europe's leading financial centres specializing in international banking and investment services. Thus, during periods of global economic stability, the country's fiscal base expanded due to attracted foreign investments and increased profitability of the corporate sector. At the same time, during periods of financial crises, as the crisis of 2008-2009, tax revenues demonstrated moderate levels, indicating to the high resilience of Luxembourg's economic system.

The effective tax policy of the state is also of significant importance. Luxembourg uses business-attractive tax rates and offers favourable conditions for specific sectors, such as financial services, which encourage companies to choose this jurisdiction for their headquarters (Table 2.3).

Table 2.3

International comparison of corporate taxation

№	Indicator	Luxembourg	The USA	Germany
1	Number of tax payments per year, units	23	11	9
2	Time required for paper reporting, days	59	175	207
3	Profit tax, %	21.0	46.7	46.8

Source: based on [146].

Stable macroeconomic policy and investments in infrastructure create a favourable environment for economic growth and, consequently, corporate tax

revenues. Thus, the continuous growth of corporate tax revenues is a testament to Luxembourg sustainable economic development. The analysis of corporate tax revenues to the budget also emphasises the importance of maintaining financial stability, developing the tax base, and adapting tax policy to changes in the global economic environment to preserve positive dynamics in the future.

In Luxembourg, VAT is charged at a standard rate of 17% (the lowest VAT rate in the EU). A reduced VAT rate of 3% is applied to food, books, medicines, admission tickets to cultural events, hotels and restaurants. A rate of 6% is applied to bicycles. A rate of 12% is applied to advertising brochures and other printed materials, heating and cooling, wines with an alcohol concentration up to 13 degrees. Exports are exempt from VAT. Some services (financial, medical, real estate) are also exempt from VAT. VAT returns must be submitted monthly (as well as the final annual return). The VAT authorities have made it mandatory to carry out a standard tax audit (SAF-T) containing reliable accounting data.

Thus, the tax system in Luxembourg is progressive and socially oriented. The personal income tax rate ranges from 0% to 42%, with benefits available for residents. Corporate taxation is set at 21% with numerous tax incentives that attract international companies. VAT is set at a standard rate of 17%, with reduced rates from 3% to 12% for certain goods and services. Mandatory social contributions, including child maintenance contribution, provide social support and fund educational and medical services. The luxury tax is set at 9% for the individuals earning over 150,000 euros. It has been proven that this tax system contributes to the population social protection and creates favorable conditions for international companies owing to low tax rates and incentives.

Taxes in Finland are slightly higher compared to the European taxes. Currently there is a tendency towards reducing tax deductions and their aligning with average European rates. All changes in Finland's tax legislation are communicated to taxpayers in advance, allowing them to adapt to the new conditions. The corporate income tax in Finland is an important component of the tax system and a key source of state revenues, which is directed to financing public services such as healthcare, education,

transportation, and social protection. It is levied on the profits of companies conducting business activities within Finland and provides a stable base for the country's economic development.

As of 2023, Finland has a single corporate tax rate of 20%, making it competitive among EU countries. This rate is applied to all types of enterprises, including limited liability companies and cooperatives. At the same time, there are tax incentives and deductions to support certain sectors, such as technology and innovation, which help attract investments and foster business development. Foreign companies earning income in Finland are also subject to taxation according to local laws. Compliance with tax requirements is important to avoid penalties and other negative consequences.

In recent years, Finland's government has reduced the corporate tax rate from 24.5% to 20%, thereby stimulating economic growth and attracting foreign investors. Compared to other Scandinavian countries, the corporate tax rate in Finland remains lower than in Denmark or Norway (22%) and is almost equal to Sweden's (20.6%). At the same time, companies operating in Finland can deduct operational expenses, investments in equipment, research and development costs, and incentives for environmental initiatives, which are not included in the total taxable income. Additionally, special support programs for startups and small businesses that allow for a reduction in the tax burden at the initial stages of development are provided.

The process of submitting corporate tax returns is regulated by strict deadlines and requires accurate reflection of all financial transactions. Typically, the return is submitted by the end of the fourth month after the financial year ends. Advance payments are made throughout the year in several stages, and the final settlement is conducted after the reporting period ends. Finnish tax authorities may conduct audits to verify that companies' reporting documentation complies with tax requirements. Maintaining accurate accounting, organized financial documentation, and timely submission of reports help reduce the risks of discrepancies and avoid penalties. Overall, the corporate taxation system in Finland is aimed to ensure a balance between stimulating the economy and collecting the revenues necessary to support social services and the country's development.

Understanding the process of submitting corporate tax returns in Finland is crucial for companies operating in the country. The first step in this process is the preparation of financial statements in accordance with Finnish accounting standards. These statements include the balance sheet, income statement, and statement reflecting the financial position and results of the company's activities. These documents are the basis for determining taxable income. The deadline for submitting tax returns depends on the company's financial year, but it is usually considered to be the fourth month after its end. For example, if the financial year ends on December 31, the return should be submitted by April 30 of the following year. To avoid penalties, companies must adhere to these deadlines.

All declarations are submitted through the official form provided by the Finnish Tax Administration. This form is available electronically through an online service, which significantly simplifies the process. When filling it out, it is important to accurately specify income, expenses, and tax deductions to avoid discrepancies that could lead to an audit. It is also worth considering potential errors, such as incorrect classification of expenses or insufficient documentary evidence. Engaging tax consultants and maintaining organized accounting help ensure compliance with regulations and reduce risks associated with tax audits. This not only helps companies submit their reports on time but also optimizes tax expenses, avoiding legal complications.

The Finnish corporate tax system provides for advance payments based on the projected annual income. These payments are usually divided into three parts, which are paid in February, May, and November. This approach enables businesses to evenly distribute their obligations throughout the year. After the financial year ends, a final tax calculation is conducted. In case of discrepancies between advance payments and actual income, the company must pay additional tax or receive a refund of overpaid amounts. It is important to accurately assess taxable income to avoid financial discrepancies. Penalties for late payments or statements submitting can be significant. They include a monthly penalty of 1% of the unpaid tax amount, which can be

accumulated until the debt is fully repaid. Therefore, companies should maintain a clear financial calendar to meet deadlines and avoid unnecessary costs [171].

The Finnish Tax Administration (Vero) conducts regular audits to verify the compliance of companies' reporting with tax legislation. The audits can be planned or initiated due to the discrepancies identified. Maintaining accurate records, documenting all transactions, and regular reviewing internal financial reports are essential to prepare for an audit. The audit process includes analysing financial documentation, interviewing staff, and verifying statements. After the audit, the company receives findings that may indicate either the absence of issues or the need to pay fines for violations. Transparency and accuracy in financial reporting help avoid serious consequences, including financial penalties or loss of reputation [165].

Finland has a wide network of double taxation treaties (DTT) that regulate the procedure of taxing the income earned by multinational corporations. These treaties determine which country has the right to tax certain types of income, reducing the risk of double taxation. Businesses operating internationally can take advantage of reduced tax rates on payments such as dividends, interests, or royalties, in accordance with DTT. This allows for a reduction in the overall tax burden and promotes the attraction of investments into the Finnish economy [171].

The progressive personal income tax scale in Finland is aimed at achieving social justice and funding a wide range of public services. The system involves an increase in the tax rate depending on the level of income (Table 2.4) [172].

Table 2.4

Progressive personal income tax scale in Finland

Taxable income, EUR	Tax amount at the lower limit, EUR	Tax rate on the part of income exceeding the lower limit, %
From 0 to 20,500	0.00	12.64
20,500 to 30,500	2,591.20	19.00
30,500 to 50,400	4,491.20	30.25
50,400 to 88,200	10,510.95	34.00
88,200 to 150,000	23,362.95	42.00

Source: based on [172].

The progressive personal income tax system in Finland has proven its effectiveness by ensuring an increase in tax revenues from collecting this tax in the period of 1990-2022 by more than 3.5 times (Fig. 2.5). During the period from 1990 to 2023, tax revenues from personal income to the Finnish budget have shown steady growth from 16,557.6 million euros in 1990 to 34,788 million euros in 2023, indicating a gradual increase in economic activity and the efficiency of tax collection. The coefficient of determination $R^2 = 0.9155$ indicates that approximately 91.55% of the changes in tax revenues can be explained by the time factor. The high R^2 confirms that the overall increase in revenues is stable and predictable.

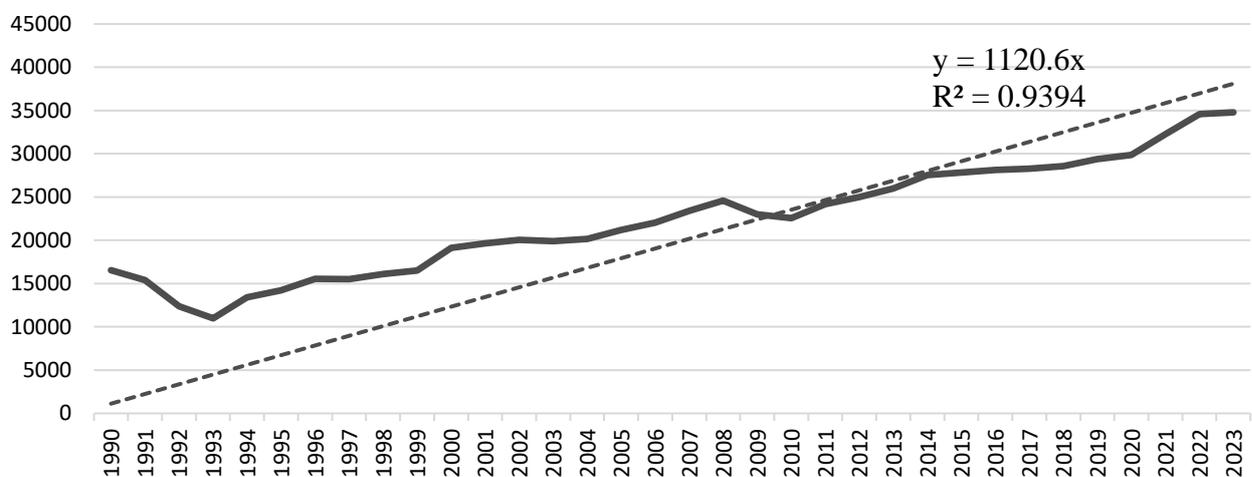


Fig. 2.5. Dynamics of personal income tax revenues in Finland, EUR million

Source: based on [136].

Social contributions, such as retirement contributions and unemployment insurance contributions, are also a part of Finland's tax system. Retirement insurance contributions amount to 7.15% for individuals under 53 years old and over 63 years old, and 8.65% for individuals aged 53-62. The result of such a system is funding free healthcare, education, infrastructure, and social programs. The system is an effective mechanism for combating inequality and ensuring a high living standard [172]. Therefore, Finland's tax system aims to maintain a balance between stimulating economic growth and ensuring revenue for funding social needs. It is predictable, transparent, and competitive, making the country attractive for business, innovation, and international investment.

The taxation system of Estonia, according to tax legislation, consists of state and local taxes. The framework law for the establishment and collection of taxes, as well as some state fees, is the Taxation Act, which defines the rights and obligations of the tax authority and the taxpayer in determining the amount of tax liability and collecting taxes. It also provides the tax authority with a general basis for cooperation with the tax authorities of other countries, regulating liability for tax violations [56].

The difference between local and state taxes in Estonia is that the volost or city council has the right to introduce them at its sole discretion within its territory. They are established in accordance with the Local Taxes Act. The local taxes include advertising tax, motor vehicle tax, animal maintenance tax, entertainment tax, parking tax, etc. All tax revenues are directed to the budgets of local governments, but their share is rather small compared to state taxes. The animal maintenance tax, entertainment tax, and vehicle tax are currently not levied by any local government. The main sources of income for cities and municipalities are revenues from state taxes (income tax and land tax) and from the equalization and support fund. The purpose of introducing local taxes is not necessarily collecting funds to the budget. For example, the advertising tax was introduced to arrange the cities' looks [56].

The corporate income tax in Estonia occupies an important place in the country's fiscal policy due to its unique structure. It is used to tax only distributed profits, encouraging companies to reinvest funds into business development, which, in its turn, contributes to economic growth. This innovative approach creates favourable conditions for enterprises and distinguishes Estonia from other countries where all earned profits are taxed regardless of their distribution. The system's key features involve taxing only distributed profits at a standard rate of 20%, allowing companies to postpone tax liabilities and stimulating reinvestments in business development, research, and innovation. A single tax rate simplifies tax calculations and ensures transparency, maintaining predictability for long-term financial planning [56]. Estonia operates a proportional personal income tax system with a single tax rate. As of the latest available data, the personal income tax rate is 20%. There are also non-taxable minimum incomes, which vary depending on the total annual income.

Analysing the dynamics of total tax revenues to the Estonian budget from 1995 to 2023, we can observe their steady growth from 690.8 million euros in 1995 to 8,254.5 million euros in 2023. These data indicate to the country's stable economic development, an effective tax system, and tax base expansion (Fig. 2.6).

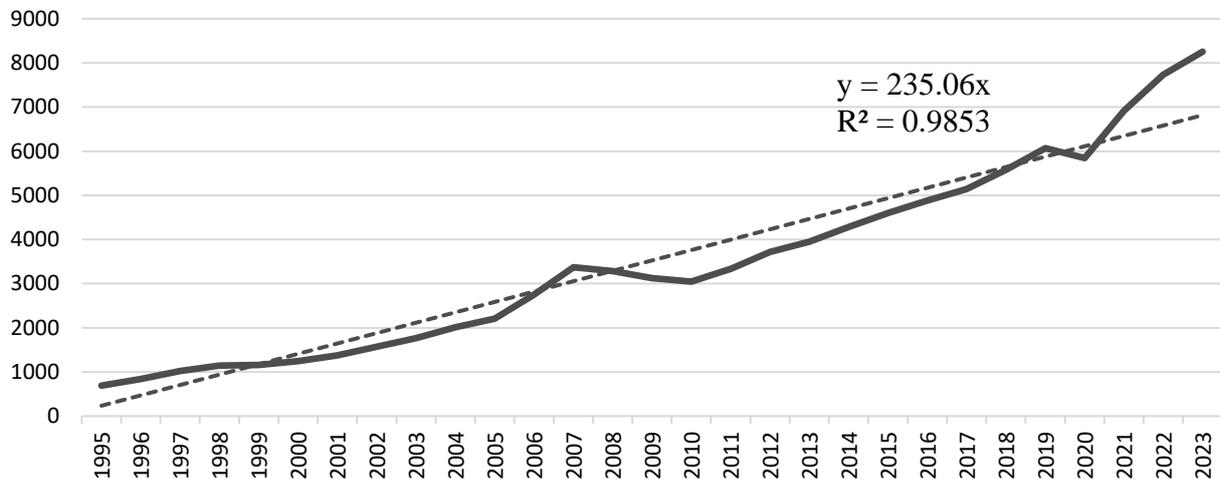


Fig. 2.6. Dynamics of the total amount of tax revenues to the budget of Estonia, EUR million

Source: based on [136].

The overall growth of tax revenues to Estonia's budget testifies to the country's gradual integration into the global economy and its ability to adapt to changing economic conditions. The country's digital transformation, the implementation of e-government in particular, has contributed to the transparency of the tax system, improved its efficiency, and reduced the administrative burden on businesses. Joining the European Union in 2004 created additional incentives for foreign investment and encouraged economic growth through the access to the EU internal market. Global crises, as the financial crisis of 2008-2009, had a temporal impact on the slowdown in tax revenue growth. However, the rapid economic recovery reflected the country's high adaptability to external challenges. Although the COVID-19 pandemic caused an economic recession in 2020, it subsequently led to a significant recovery in tax revenues due to the activation of economic activity in 2021-2023. Overall, the growth stability is confirmed by high coefficients of determination, indicating the reliability of

the country's long-term economic strategy and its ability to ensure sustainable development [1].

An efficient administration system, including the use of electronic filing systems, significantly reduces the bureaucratic burden and allows for easy management of tax documents. Industry-specific incentives are provided through special tax privileges for such sectors as research and development that promote innovation. Start-ups and small businesses are supported through tax holidays and simplified calculations. In an international context, the standard rate is 20% on distributed profits, and competitiveness in the EU is ensured through tax deferral and a transparent structure that attracts both local and foreign investment. Estonia's tax system is strategically oriented towards business development. Its unique approach to income taxation helps to attract investment, support entrepreneurs and create a transparent tax environment. Coupled with the digitalisation of administrative processes, Estonia has solidified its reputation as one of the most efficient tax systems in the world [56].

The taxation system in Poland is based on progressive rates and various forms of taxation for sole proprietors (SPs) and limited liability companies (LLCs). Sole proprietors can choose between the general taxation regime (12% if the taxable base is up to PLN 120000 or 32% if the taxable base is over PLN 120000), the flat rate (19%) or the simplified form of taxation 'Ryczałt' (12% for software developers). Tax returns are submitted from 15 February to 30 April. Social security contributions include health insurance (9%) and social security. The general corporate tax rate for LLCs is 19%, with a reduced rate of 9% for companies with revenues of up to EUR 2 million. The standard VAT rate in Poland is 23%, with reduced rates of 8% and 5% for certain goods and services. The introduction of a minimum corporate income tax (10%) is planned since 2024. Poland also applies a system whereby dividends are taxed at a rate of 19%. In general, the taxation system in Poland is aimed at supporting entrepreneurship and social protection through various forms of taxation and benefits [150].

The dynamics of tax revenues to the Polish budget over 1995-2023 demonstrates a stable growth, which indicates the success of economic transformation, adaptation to EU standards and the efficiency of tax administration in this country. Integration into

the EU in 2004 promoted revenue increase owing to a tax base expanding and investments, while the development of small and medium-sized businesses stimulated the economy. Despite a temporary reduction in revenues during the global financial crisis of 2008 and the COVID-19 pandemic in 2020, the country demonstrated resilience thanks to structural reforms, digitalisation of tax processes, and anti-tax evasion campaign. The increase in tax revenues to EUR 162 billion in 2023 points to the country's economic revitalization, integration success, and improved tax administration, making Poland a model for other Central and Eastern European countries (Figure 2.7).

In addition, Poland has effectively used European funds, that fostered the infrastructure modernisation and employment stimulation. The government policy has simultaneously focused on tax fairness, reducing the shadow economy and broadening the tax base. Poland has entered into double taxation treaties with over 60 countries, following the principles set out by the OECD. According to these agreements, corporate profits are generally taxed in the country of their incorporation, unless they have a permanent establishment in another country, that allows taxation in both jurisdictions. Most treaties provide for: tax rates on dividends ranging from 5-15%, with a reduction to 5% if a foreign shareholder holds a significant share of capital (10% or 25%) in the Polish company; exemption from taxes on interest in the source country or taxation at a rate of up to 10%.

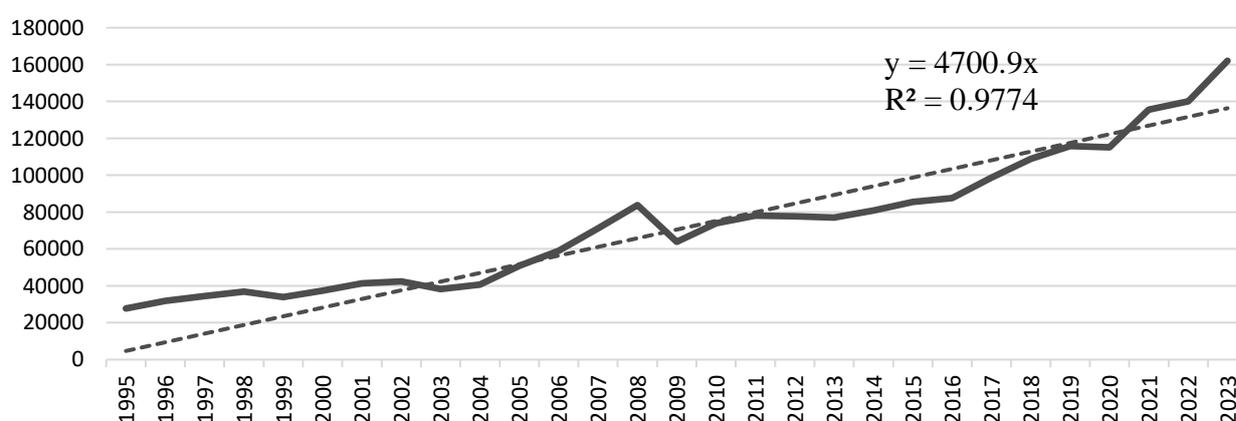


Fig. 2.7. Dynamics of the total amount of tax revenues to the budget of Poland, EUR million

Source: based on [136].

The Polish tax system is administered at three levels. The first, basic level comprises local tax offices, which are responsible for collecting taxes, maintaining taxpayer registers, controlling and imposing sanctions. Tax inspectors engaged in these departments have access to taxpayers' financial information. Refusal to provide data or its distortion is punishable by fines of up to PLN 1.5 million. The second level is represented by financial chambers, which verify the tax offices' activities and large taxpayers' reports. The highest level of administration is the Ministry of Finance of Poland, which coordinates policy and controls the activities of tax authorities at the highest level (Figure 2.8) [157].

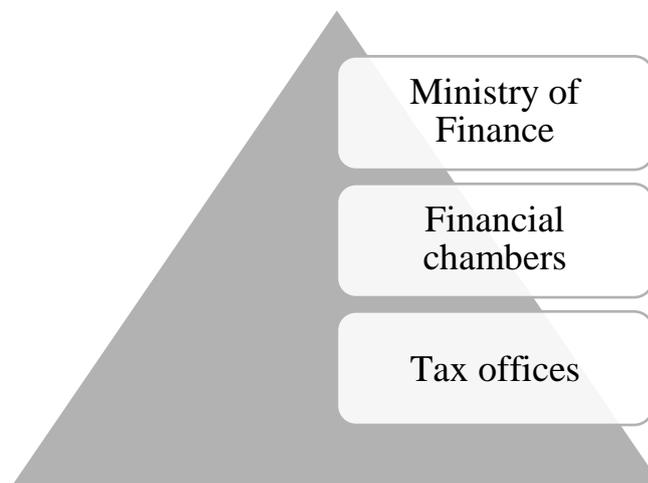


Fig. 2.8. Levels of managing the tax system of Poland

Source: built on the basis of [157].

Thus, Poland's taxation system is clearly structured, transparent, and oriented towards stimulating economic development. It includes a progressive personal income tax system, a corporate tax that promotes business competitiveness, VAT, and local taxes. Through tax incentives, Poland actively attracts investors and supports innovation, creating favourable conditions for business and economic growth. Poland's tax mechanisms are aimed at ensuring the state budget stability with simultaneous stimulating entrepreneurship, innovation, and regional development. Owing to effective tax administration and the presence of transparent regulations for business, Poland is an attractive country for international investors, making its economic position in European markets stronger.

Overall, the following advanced practices are used in the UE for effective corporate tax management:

- organized accounting: the use of reliable software that facilitates reporting;
- consultations with specialists: engaging experts helps reduce risks and take advantage of tax incentives;
- strategic planning: regular review of financial strategies taking into account tax changes, which enhances business efficiency;
- staff training: raising employees' awareness of tax requirements contributes to better compliance with regulations.

Such approaches allow companies to minimise the risks associated with tax liabilities and create a solid foundation for long-term development. In most European countries, legal entities report in accordance with International Financial Reporting Standards (IFRS). Even though national reporting standards are generally aligned with IFRS, differences in some EU countries are evident. These differences are related not so much to tax accounting principles as to reporting forms. Some EU countries are still in the process of harmonising their accounting and reporting, so that France and Romania, for example, have different balance sheets and charts of accounts. In general, when it comes to financial reporting, the main source of difference is not so much in accounting as in taxation.

The research conducted provides grounds to assert that the tax systems of European Union countries have both common features and significant differences, stipulated by the economic, social, and historical characteristics of each state. They are targeted at ensuring sustainable economic development, financing public services, and supporting social welfare. The peculiarities of tax accounting and administration in EU countries demonstrate a diversity of approaches to forming the tax base, rates, and mechanisms for their collection. Some states, such as Finland, have a progressive tax scale for individuals, while others, like Estonia, prefer proportional rates. The differences in corporate tax levels also testify to various models of business stimulation and investment attraction.

It is important to note the trend towards the harmonisation of tax norms within the EU to ensure transparency and competitiveness of economies. Alongside this, mechanisms for avoiding double taxation and tax incentives are tools contributing to the integration of EU countries into the global economy. EU tax systems, despite their complexity and differences, remain factors of balanced economic growth, support for innovation, environmental initiatives, and social protection. Understanding their features and current changes is vital for business entities operating within the European Union. Another important aspect is the impact of digitalisation and automation of tax administration processes, as they significantly enhance the efficiency of tax collection and reduce opportunities for evasion. The increasing attention to sustainable development encourages EU countries to implement environmental taxes, which are becoming a key tool in the fight against climate change and contribute to shaping a green economy.

2.2. Priorities for the development of EU tax systems in the context of the Sustainable Development Goals

The development of tax systems in the European Union in the context of the Sustainable Development Goals (SDGs) shows a gradual integration of fiscal policies with environmental, social and economic initiatives. The EU tax systems are adapting to support the SDGs through mechanisms that encourage a green transition, reduce social inequality and ensure fiscal transparency. In particular, instruments such as environmental taxes, progressive personal income taxation, tax incentives for sustainability businesses, and harmonisation of reporting standards (e.g. through the EU Sustainability Reporting Directive - CSRD) contribute to the achievement of the global SDGs. At the same time, the EU supports the fight against aggressive tax practices that undermine social and economic stability and introduces transparency rules for reporting on companies' tax strategy. An important component of the EU member states' tax policies is the efficient use of fiscal resources to finance social

programmes and environmental initiatives, including stimulating investment in renewable energy and infrastructure modernisation.

In 2022, EU governments used various financial instruments to address environmental issues. Environmental taxation brought in the most revenue (EUR 317,190 million), which is the most common tool for reducing negative environmental impacts. Charges amounted to EUR 794,00 million and are levied on the use of certain resources or services. Grants provided EUR 660,00 million and supported environmental initiatives. Tax reductions (EUR 385,00 million) encouraged environmentally friendly practices by providing tax breaks. A total of EUR 152,00 million was allocated for the implementation of various environmental programmes. Quotas generated EUR 114,00 million in revenues and were used to limit the use of resources or emissions. Fees totalled EUR 113,00 million and were levied on pollution or resource use. Tax credits totalled EUR 99,00 million and supported investments in environmental technologies. Deposit refunds generated EUR 68,00 million, stimulating the take-back of recyclable products. Payments for ecosystem services totalled EUR 56,00 million, supporting the conservation of biodiversity. Loans provided EUR 54,00 million in financing for environmental projects, and soft loans amounted to EUR 29,00 million, reducing the financial burden of their implementation (Figure 2.11).

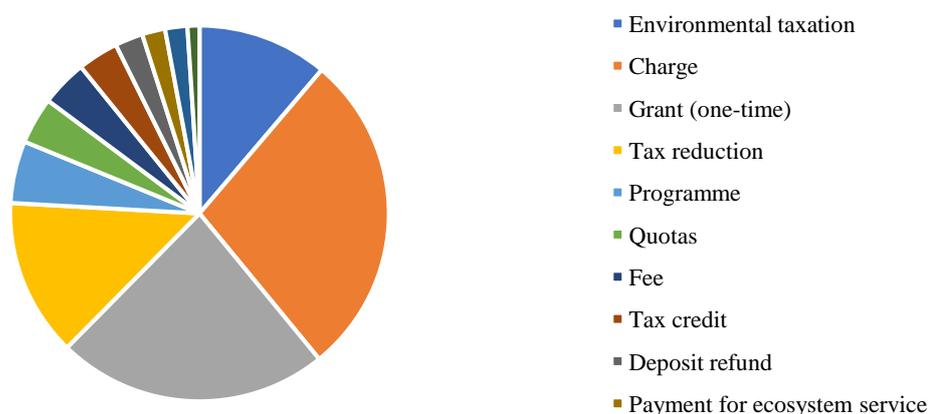


Fig. 2.11. Financial instruments for achieving the environmental SDGs in the EU countries, 2022, EUR million

Source: based on [153].

The EU Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) modernise and strengthen the rules on the social and environmental information that companies must report. The rules provide investors and other stakeholders with access to the information necessary to assess the impact of companies on society and the environment, as well as to identify risks associated with climate change and other sustainability issues [134].

Tax issues, although not always considered as fundamental in corporate sustainability strategies, are gradually taking an important place in the strategic and regulatory initiatives of companies. Integration of taxes into these strategies is essential to ensure business sustainability and support social welfare. In particular, the integration of corporate tax policy into sustainability strategies allows to:

- maintain compliance with tax laws, in particular by paying taxes on time;
- identify and effectively use grant opportunities to finance corporate environmental initiatives;
- implement effective tax management, including analysis of tax implications, risks and opportunities;
- ensure transparent tax reporting to strengthen public confidence in corporate tax practices.
- manage risks associated with new taxes (e.g., carbon taxes) that affect business models and value chains;
- defend against aggressive tax strategies that could disrupt economic stability and cause harm to society.

The proper integration of tax aspects into the sustainable development strategies of companies can enhance the positive impact of taxation on business sustainability [137]. The European Green Deal (EGD) is a key strategy of the European Union on the path to sustainable development. This plan provides for the introduction of new tax instruments to support the SDGs. Tax policy under the European Green Deal supports the following SDGs:

- SDG 13 (Combat climate change);
- SDG 7 (Clean and affordable energy);

- SDG 12 (Sustainable consumption and production);
- SDG 8 (Decent work and economic growth).

The EGD is a model strategy for integrating tax policy with environmental goals. The introduction of emission taxes, renewable energy incentives, the gradual removal of fossil fuel subsidies and the implementation of the CBAM (Carbon Border Adjustment Mechanism) create an effective financial framework for combating climate change [94].

The Carbon Border Adjustment Mechanism (CBAM) is an EU instrument designed to establish a fair price on carbon emissions generated during the production of carbon-intensive goods imported into the EU and to encourage cleaner industrial production in non-EU countries. By confirming that a price has been paid for the embedded carbon emissions generated in the production of certain goods imported into the EU, CBAM ensures that the price of carbon from imports is equivalent to the price of carbon from domestic production and that the EU's climate goals are not undermined. The CBAM is designed to be compatible with WTO rules. The CBAM will be applied in the final regime from 2026, while the current transitional phase lasts between 2023 and 2025. The gradual implementation of CBAM and the abandonment of free allowances within the EU Emissions Trading System (ETS) are envisaged to support the decarbonisation of EU industry [106].

According to Regulation (EU) 691/2011 on European environmental economic accounts [109], an environmental tax is a tax whose tax base is a physical unit of something that has a proven, specific negative impact on the environment and is defined in the European System of Accounts (ESA 2010) [140] as a tax. Air emissions accounting records the flows of residual gaseous and particulate matter originating from the national economy and released into the atmosphere. Member States compile statistics on emissions of such air pollutants (Table 2.5). The analysis of air emissions data allows for an assessment of different types of pollutants and their impact on the environment and human health.

Table 2.5

Key indicators for compiling air pollutant statistics in the EU

Name of air emissions	Symbol	Reporting Base
Carbon dioxide free from biomass emissions	CO ₂	1,000 tonnes (Gg)
Carbon dioxide from biomass	Biomass CO ₂	1,000 tonnes (Gg)
Nitrous oxide	N ₂ O	tonnes (Mg)
Methane	CH ₄	tonnes (Mg)
Perfluorocarbons	PFCs	tonnes (Mg) CO ₂ - equivalent
Hydrofluorocarbons	HFCs	tonnes (Mg) CO ₂ - equivalent
Sulphur hexafluoride	SF ₆	tonnes (Mg) CO ₂ - equivalent
Nitrogen oxides	NO _x	tonnes (Mg) NO ₂ - equivalent
Non-methane volatile organic compounds	NMVOCs	tonnes (Mg)
Carbon monoxide	CO	tonnes (Mg)
Particulate matter < 10 µm	PM ₁₀	tonnes (Mg)
Particulate matter < 2.5 µm	PM _{2,5}	tonnes (Mg)
Sulphur dioxide	SO ₂	tonnes (Mg)
Ammonia	NH ₃	tonnes (Mg)

Source: based on [109].

CO₂ emissions, excluding biomass and from biomass, are the main greenhouse gas contributing to climate change. Nitrous oxide (N₂O) is also a greenhouse gas and has a global warming potential many times greater than CO₂. It is emitted during agricultural processes, including the use of nitrogen fertilisers. Methane (CH₄) is a potent greenhouse gas, mainly originating from agriculture, oil and gas production and landfills. Perfluorocarbons (PFCs), hydrofluorocarbons (HFCs), sulphur hexafluoride (SF₆) are used in industrial processes and also have a very high potential for global warming. Nitrogen oxides (NO_x) are the main air pollutants that contribute to the formation of smog and acid rain.

Non-methane volatile organic compounds (NMVOCs) contribute to smog formation and have an impact on human health. Carbon monoxide is a toxic gas produced by incomplete combustion of fuels. Particulate matter (PM₁₀ and PM_{2.5}), especially those smaller than 10 microns (PM₁₀) and 2.5 microns (PM_{2.5}), can penetrate the respiratory system and cause serious health problems, including

respiratory and cardiovascular diseases. Sulphur dioxide (SO₂) is the cause of acid rain and air pollution, and in particular affects the respiratory system. Ammonia (NH₃) mainly comes from agriculture and can lead to the formation of secondary PM_{2.5} particles. These data help to develop policies and identify sources and amounts of financial resources needed to reduce emissions and improve air quality, which is critical for public health and environmental protection [109].

Depending on the type of pollutant, environmental taxes in the EU are divided into four groups depending on the scope of their implementation in order to generate statistics as efficiently as possible (Figure 2.9).

Energy taxes	Transport taxes (excluding fuel for transport)	Pollution taxes	Resource taxes
<p>Energy products for transport purposes (petrol, diesel, kerosene, or fuel oil).</p> <p>Energy products for stationary purposes (fuel oil, natural gas, coal, etc.).</p> <p>Greenhouse gases (fuel carbon content, greenhouse gas emissions).</p>	<ol style="list-style-type: none"> 1. Import or sale of motor vehicles (one-off taxes); 2. Registration or use of vehicles. 3. Use of roads. 4. Congestion charges. 5. Other means of transport (ships, planes, railways, etc.). 6. Flights and airline tickets. 7. Car insurance. 	<p>Measured or estimated air emissions (NO_x, SO_x, other than CO₂).</p> <p>Ozone-depleting substances.</p> <p>Measured or estimated discharges to water.</p> <p>Indirect sources of water pollution (pesticides, artificial fertilisers, manure).</p> <p>Waste management (collection, treatment, disposal).</p> <p>Noise (aircraft take-off and landing).</p>	<ol style="list-style-type: none"> 1. Abstraction of water. 2. Collection of biological resources (wood, hunting and fishing). 3. Extraction of raw materials (minerals, oil and gas). 4. Landscape alteration and tree cutting.

Fig. 2.9. Classification of environmental taxes in EU countries

Source: based on [29].

Taking into account the different types of emissions and their impact on the environment, governments in the European Union use environmental taxation as a tool to reduce negative environmental impact. For example, CO₂ taxes encourage companies to reduce their greenhouse gas emissions, thereby contributing to the achievement of carbon footprint reduction targets. Similarly, taxes on nitrogen oxides (NO_x) and sulphur dioxide (SO₂) emissions aim to reduce smog and acid rain, which improves air quality. Environmental taxation also includes taxes on methane (CH₄) and other greenhouse gases, which helps to reduce their emissions from agricultural and industrial sources. The introduction of taxes on particulate matter (PM₁₀ and

PM2.5) helps to control air pollution, which affects public health. Thus, environmental taxation in the EU provides financial incentives for businesses and citizens to adopt more environmentally friendly technologies and practices, and also contributes to the achievement of sustainable development goals and improved quality of life.

Environmental taxation in the European Union is one of the key financial instruments for achieving environmental goals and facilitating the transition to sustainable development. It is aimed at reducing the negative impact of economic activity on the environment, promoting energy efficiency, introducing renewable energy sources and reducing the use of non-renewable natural resources. In the EU, environmental taxation is a tool for implementing the European Green Deal, which aims to achieve climate neutrality by 2050. It not only helps to reduce emissions and protect ecosystems, but also stimulates the development of innovations in environmental technologies, creating financial incentives for businesses and households to adopt sustainable practices. Emission taxes, including carbon taxes, are one of the most effective financial instruments in the EU to reduce carbon pollution. Their implementation encourages businesses and households to reduce emissions by raising the cost of using fossil fuels.

Tax policy can promote the development of renewable energy sources such as solar, wind and hydropower by reducing the tax burden on investments in these sectors and introducing special taxes on emissions-intensive traditional energy sources. Data on environmental taxation in EU countries show that since 2013, there has been a steady upward trend in revenues from this type of fees, which indicates that EU countries are stepping up their efforts to combat environmental problems and promote sustainable development. The total amount of environmental revenues in the EU increased from EUR 285,120.45 million in 2013 to EUR 320,823.83 million in 2022, or by 12.6%. France became the leader in collecting environmental taxes, increasing revenues from environmental taxation by EUR 11,959 million. Germany and France have seen significant increases in environmental tax revenues. Smaller countries such as Belgium, Croatia and Estonia have shown a small but steady increase in environmental tax revenues. A slight decline in tax revenues from EUR 55,257 million in 2013 to EUR 42,919 million in 2022 occurred in Italy, which may be due to the country's economic or environmental policy [132] (Table 2.5).

Table 2.5

Dynamics of revenues from environmental taxes in the EU, EUR million

Country/year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2022 +/-до 2013
Belgium	9 905,5	10 254,5	10 618,1	11 469	11 996,9	12 422,7	12 628	11 588,4	12 549,5	12 285,9	2 380
Bulgaria	1 200,95	1 220,69	1 351,75	1 451,17	1 468,91	1 470,47	1 839,15	1 859,12	1 978,7	4 095,16	2 894
Czech Republic	3 331,14	3 346,96	3 477,33	3 728,38	3 896,98	4 129,14	4 594,86	4 148,06	4 373,44	4 076,53	745
Denmark	10 712,56	10 621,56	10 847,41	11 065,36	10 808,24	10 933,38	10 221,35	9 891,67	9 703,68	9 274,01	-1 439
Germany	57 937	58 283	58 063	58 432	59 250	59 723	61 111	57 468	65 179	63 336	5 399
Estonia	484,64	533,07	562,83	645,19	680,76	708,95	889,55	657,38	723,99	830,04	345
Ireland	4 444,87	4 683,91	4 977,25	5 117,49	5 232,37	5 119,3	5 020,67	4 487,11	4 952,93	4 410,11	-35
Greece	7 240	7 270	7 401	7 281	7 759	7 402	7 696	6 818	7 701	11 578	4 338
Spain	19 611	19 344	20 821	20 793	21 371	22 075	22 018	19 600	21 203	20 529	918
France	42 897	43 716	47 493	50 125	53 052	56 039	56 327	50 226	54 447	54 856	11 959
Croatia	1 583,17	1 746,44	1 910,08	2 043,64	2 168,9	2 306,35	2 366,11	2 057,66	2 257,57	2 273,29	690
Italy	55 257	58 070	56 144	59 481	58 000	58 575	58 299	50 777	54 907	42 919	-12 338
Cyprus	490	534,1	544,3	554,2	602,3	613,1	583,2	519,5	562,8	609,1	119
Latvia	723,46	790,25	859,36	907,89	941,53	982,73	899,7	915,97	918,06	867,29	144
Lithuania	587,27	633,88	691,52	747,92	807,4	899,78	921,32	968,58	1 038,9	1 024,04	437
Luxembourg	1 007,93	979,5	954,44	933,13	952,59	1 028,32	1 087,4	890,4	1 056,97	950,25	-58
Hungary	2 489,64	2 557,84	2 784,34	2 942,74	3 096,89	3 154,84	3 366,5	3 031,73	3 152,1	3 167,18	678
Malta	204,84	240,65	266,33	278,92	303,53	318,73	347,82	295,01	276,58	287,16	82
Netherlands	21 564	22 216	22 925	23 754	24 635	25 877	27 570	25 366	26 526	22 756	1 192
Austria	7 725,21	7 974,95	8 203,7	8 384,12	8 844,75	8 784,04	9 058,65	7 974,92	8 774,99	8 419,55	694
Poland	9 503,28	10 562,1	11 401,74	11 556,66	12 512,1	13 474,36	13 545,47	13 330,41	16 589,85	18 321,85	8 819
Portugal	3 757,66	3 932,13	4 344,47	4 819,31	5 051,86	5 271,9	5 418,14	4 728,8	5 025,66	4 647,02	889
Romania	2 957,48	3 587,37	3 951,84	4 085,32	3 640,19	4 033,56	4 731,69	4 196,21	5 298,63	7 674,61	4 717
Slovenia	1 428,2	1 452,74	1 509,36	1 568,7	1 578,44	1 559,83	1 795,79	1 538,79	1 633,84	1 634,77	207
Slovakia	1 872,7	1 932,31	1 997,55	2 019,35	2 149,02	2 226,18	2 361,53	2 294,29	2 382,69	2 707,77	835
Finland	5 953	5 957	6 118	6 709	6 693	6 848	6 730	6 487	6 289	6 529	576
Sweden	10 250,94	9 544,21	9 801,25	10 341,43	10 150,08	9 813,81	9 779,3	9 618,3	10 218,1	10 765,22	514
Iceland	260,92	288,44	336,91	387,13	482,32	470,44	442,78	381,5	367,87	492,43	232
Liechtenstein	27,97	32,68	36,82	35,9	35,86	32,87	37,27	35,82	36,45	-	-
Norway	9 182,5	8 732,76	8 169,19	8 044,15	8 123,51	8 109,82	7 629,5	6 452,05	7 392,87	7 288,32	-1 894
Switzerland	7 032,37	7 268,44	8 484,09	8 587,09	8 518,01	8 620,47	9 046,56	9 036,74	9 187,76	9 888,75	2 856
European Union - 27 countries	285 120,45	291 985,16	300 019,96	311 234,91	317 643,75	325 790,48	331 207,19	301 734,32	329 721,01	320 823,83	35 703

Source: based on [132].

Environmental taxation in the European Union for 2022 shows significant differences in the level of environmental tax revenues between different countries. Germany has the largest environmental tax revenues among EU countries in 2022, amounting to EUR 63,336 million, highlighting the country's active environmental policy. France ranks second with EUR 54,856 million and Italy third with EUR 42,919 million in environmental tax revenues. Countries with a small population, such as Malta (EUR 287.16 million) and Iceland (EUR 492.43 million), have much lower revenues. Environmental taxation in Eastern European countries, such as Hungary (EUR 3,167.18 million) and Romania (EUR 7,674.61 million), is also significantly lower compared to Western European countries.

Western Europe, in particular Germany, France and Italy, has high revenues from environmental taxes due to active environmental initiatives and high standards of environmental regulation. Countries such as Sweden (EUR 10,765.22 million) and Denmark (EUR 9,274.01 million) continue to invest in renewable energy sources and reduce their dependence on fossil fuels. Eastern and Central Europe, in particular the Czech Republic (EUR 4,076.53 million) and Bulgaria (EUR 4,095.16 million), are on the path to improving the efficiency of environmental taxation and implementing new environmental standards.

In general, environmental taxation in the EU is an effective tool for reducing harmful environmental impacts, stimulating a green economy, and financing climate initiatives. At the same time, there are significant differences between countries in the level of revenues, reflecting different approaches to environmental policy and economic opportunities (Figure 2.10). Overall, in 2022, EU governments collected EUR 317.2 billion in environmental tax revenues, accounting for 2.0% of EU gross domestic product (GDP) and 4.8% of total EU government revenue from taxes and social contributions.

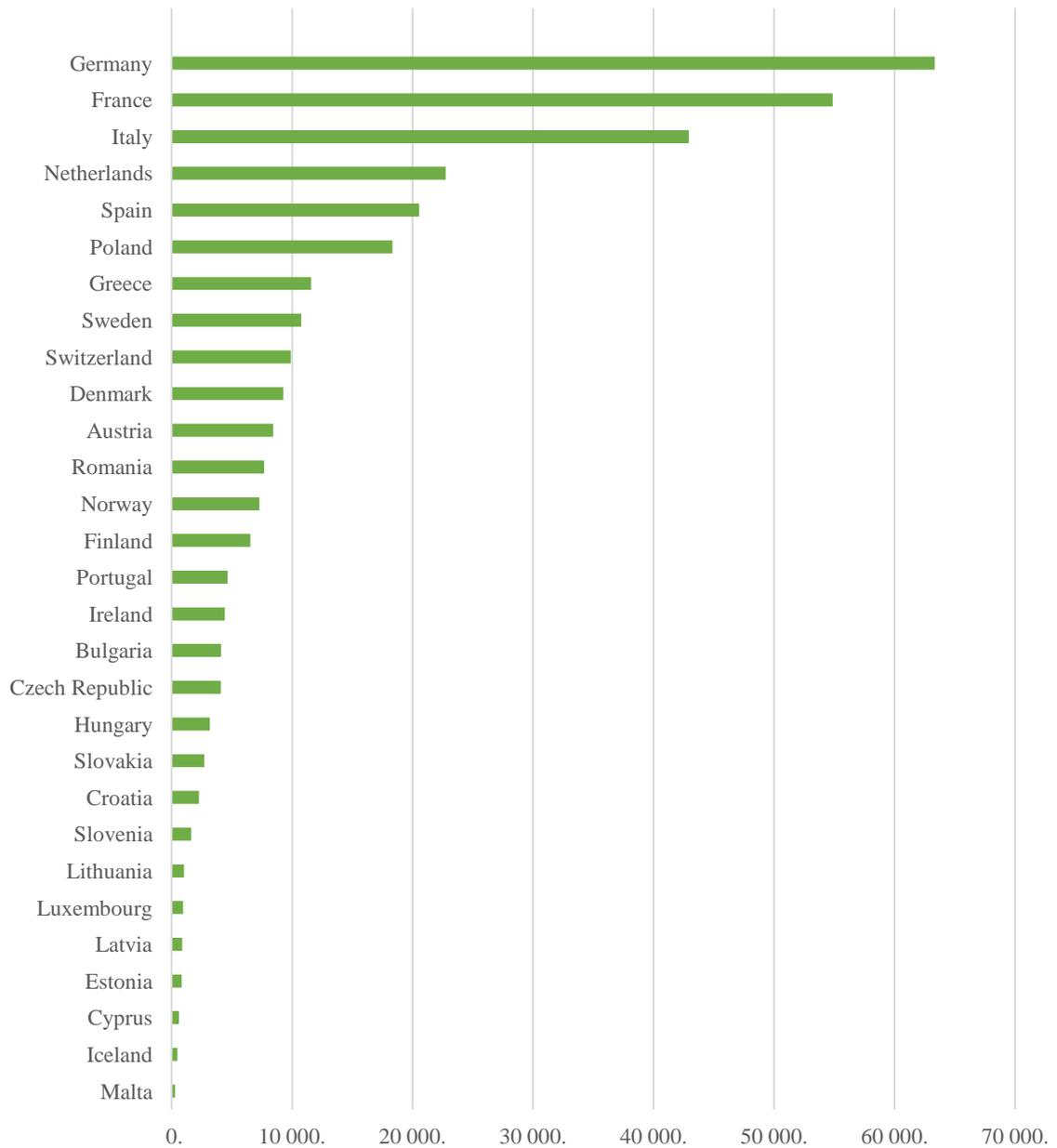


Fig. 2.10. Revenues from environmental taxes in the EU countries, 2022, EUR million

Source: based on [132].

A significant portion of EU environmental taxation revenues in 2022, approximately 76.5%, came from energy taxes. Transport taxes accounted for 19.2%, and the share of pollution and resource taxes in the EU was very small at 4.3%. This indicates that the main focus of EU environmental policy is on the energy sector and reducing emissions from transport. However, to achieve a more comprehensive

approach to sustainable development, it is necessary to increase the share of taxes on pollution and resources (Table 2.6).

Table 2.6

**Revenues from environmental taxation in the EU by type of tax
and taxpayer, 2022**

№	Type of environmental taxes	EUR million	% Structure	% Of all EU taxes and fees	% Of contribution depending on the type of payer		
					Corporations	Households	Other
1	Energy taxes	242 765	76,5	3,7	57,2	38,7	3,8
2	Transport taxes	60 821	19,2	0,9	31,5	67,6	0,8
3	Pollution/resource taxes	13 605	4,3	0,2	45,5	53,4	1,0
4	Total environmental taxation	317 190	100	4,8	51,8	44,9	3,1

Source: based on [133].

The tax burden varied by environmental tax category and economic sector. While corporations paid the highest share of energy taxes (57.2% in 2022), the share levied on households was also very high (38.7%). However, households were the main payers of transport taxes in 2022 (67.6 %), and they also paid a higher share of pollution and resource taxes (53.4 %).

The study proved that the development of tax systems in the European Union in the context of the SDGs shows a deep integration of fiscal policies with environmental, social and economic initiatives. The main priorities include stimulating a green transition, reducing social inequality and ensuring fiscal transparency. Tax instruments such as environmental taxes, progressive personal income taxation, tax incentives for businesses that adhere to sustainability principles, and harmonisation of reporting standards through the EU's Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) are key elements for achieving the global SDGs.

It has been established that environmental taxes, which account for a significant part of EU revenues, are an effective means of reducing negative environmental impact. Taxes on CO₂ emissions and other greenhouse gases help control air pollution

and improve air quality. The European Green Deal is an exemplary strategy for integrating tax policy with environmental goals. The plan envisages the introduction of new tax instruments to support the SDGs, such as emissions taxes and the gradual removal of fossil fuel subsidies. An important component is the Carbon Border Adjustment Mechanism (CBAM), which provides a fair price for the carbon emitted in the production of goods imported into the EU, incentivising cleaner industrial production in non-EU countries.

EU tax systems are also adapting to combat aggressive tax practices that undermine social and economic stability. Ensuring transparency in reporting on companies' tax strategy and integrating tax aspects into sustainability strategies helps to maintain business compliance with tax laws, effectively use grant opportunities to finance environmental initiatives, implement effective tax governance and build trust in corporate tax practices. Thus, the proper integration of tax aspects into companies' sustainable development strategies can enhance the positive impact of taxation on business sustainability. Environmental taxation is not only a tool for reducing negative environmental impacts, but also an important mechanism for stimulating innovation, supporting economic growth, ensuring social stability, achieving climate neutrality by 2050, reducing greenhouse gas emissions, preserving ecosystems and improving the quality of life in the European Union.

2.3. The role of taxation in stimulating economic development and increasing the competitiveness of EU countries

The development of the EU tax systems is characterised by a high level of transparency, efficiency and adaptability to changes in the global economy, so their experience is valuable for analysing and improving national tax practices. The implementation of advanced technologies, such as digital tax platforms and integrated accounting systems, reduces administration costs and increases tax revenues to the EU common budget. Special attention is paid to combating tax evasion and aggressive tax

practices, as well as ensuring fairness in the distribution of the tax burden. Key aspects of the EU tax policy include the development of environmental taxation, the stimulation of innovation and the support of the SDGs. EU member states are implementing their own unique approaches to achieve the outlined taxation priorities. Studying the EU experience is critically important for countries seeking to improve the efficiency of their tax systems, ensure economic stability and promote social welfare. Using the best practices of these countries can be a key factor in the successful reform of national tax policy.

In the EU, the term ‘taxes’ is limited to the definition of mandatory payments to the Union’s common budget or to the budgets of national authorities and does not include fines and penalties paid for violations of tax legislation. Mandatory payments levied by national governments and transferred to pan-European authorities are also considered taxes. They include taxes, duties, fees and other payments levied in accordance with the tax laws of the European Union. In countries where the church is part of the general government, church taxes are included in tax revenues, provided they meet certain criteria [139].

By type, EU taxes are divided into direct and indirect taxes. Direct taxes, such as personal and corporate income taxes, promote social equity through progressive taxation, where higher incomes are taxed at higher rates. Indirect taxes, including VAT and excise duties, are a key source of budget revenues and are important for regulating the consumption of certain goods and services. An analysis of the dynamics of EU common budget revenues by type of tax as a percentage of GDP shows that they are stable in most tax categories with slight increases in certain types of taxes, which indicates an effective EU tax policy during the period under review (Table 2.7).

Table 2.7

Dynamics of revenues to the EU common budget by types of taxes, in % of GDP

Types of taxes	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Revenues for 2022, (EUR million)
Indirect taxes	13,1	13,2	13,5	13,6	13,7	13,7	13,7	13,6	13,7	13,7	13,4	13,7	13,6	2159,8
VAT	6,8	6,9	6,9	6,9	7,0	7,0	7,0	7,1	7,1	7,1	6,9	7,4	7,5	1189,3
Taxes and duties on imports, excluding VAT	0,5	0,5	0,5	0,5	0,5	0,5	0,6	0,5	0,6	0,6	0,5	0,5	0,5	85,7
Taxes on products, excluding VAT and import duties	3,5	3,6	3,6	3,6	3,6	3,6	3,6	3,6	3,6	3,5	3,4	3,3	3,0	484,4
Other taxes on production	2,2	2,3	2,5	2,6	2,6	2,6	2,5	2,4	2,4	2,5	2,5	2,5	2,5	400,4
Direct taxes	11,9	12,1	12,6	12,9	12,9	12,9	13,0	13,2	13,2	13,2	13,2	13,6	13,7	2180,3
Personal income taxes	8,7	8,8	9,2	9,4	9,5	9,4	9,3	9,4	9,5	9,6	9,9	9,7	9,6	1523,8
Corporate income taxes	2,2	2,3	2,4	2,4	2,4	2,4	2,6	2,7	2,7	2,6	2,4	2,9	3,3	517,9
Other	1,0	1,0	1,0	1,1	1,1	1,1	1,1	1,1	1,0	1,0	1,0	0,9	0,9	138,6
Social contributions	12,9	13,0	13,2	13,2	13,2	13,1	13,2	13,1	13,2	13,1	13,4	13,1	12,9	2047,7
Employer contributions	7,4	7,4	7,4	7,4	7,4	7,4	7,3	7,3	7,3	7,2	7,4	7,2	7,1	1127,5
Household contributions	5,5	5,6	5,7	5,8	5,8	5,7	5,8	5,8	5,8	5,8	6,0	5,9	5,8	920,2
Total amount	37,9	38,3	39,3	39,8	39,9	39,7	39,8	39,9	40,1	39,9	40,0	40,4	40,2	6387,8

Source: based on [122].

The data in Table 2.7 show that indirect taxes remain stable during 2010-2022, providing about 13.1-13.7% of GDP. The highest level was in 2014 and 2019 (13.7%), and the lowest in 2020 (13.4%). In particular, VAT accounted for about 6.8-7.5% of GDP, with the highest level in 2022 (7.5%) and the lowest in 2010 (6.8%). Taxes and duties on imports, excluding VAT, remained almost unchanged during the period under review, ranging from 0.5-0.6% of GDP. Taxes on products, excluding VAT and import duties, were kept within the range of 3.0-3.6% of GDP, with the lowest level in 2022 (3.0%) and the highest in 2013-2018 (3.6%). Other taxes on production were kept at 2.2-2.6% of GDP, with the highest level in 2013-2014 (2.6%) and the lowest in 2010 (2.2%).

Direct taxes showed a gradual increase from 11.9% in 2010 to 13.7% in 2022. Personal income taxes showed an upward trend from 8.7% in 2010 to 9.6% in 2022. Corporate income taxes increased from 2.2% in 2010 to 3.3% in 2022. Other taxes remained almost unchanged, ranging from 0.9-1.1% of GDP. Social contributions remained stable and ranged from 12.9-13.4% of GDP. Employer contributions were around 7.1-7.4% of GDP, and household contributions were kept within 5.5-6.0% of GDP. Total budget revenues ranged from 37.9% to 40.4% of GDP. The analysis of the dynamics of tax revenues to the EU's common budget by type of tax as a percentage of GDP in 2010-2022 demonstrated the overall stability and efficiency of the EU tax system. Certain increases in certain categories indicate a gradual improvement and adaptation of tax policy to changing economic conditions.

The analysis of the structure of tax revenues is important for understanding the economic mechanisms operating in the European Union. The distribution of taxes into indirect, direct and social contributions plays a key role in ensuring budget stability and financing public services. According to the data for 2022, indirect taxes accounted for 33.8% of total taxation in the EU. Indirect taxes are an important source of income for the EU, as they provide stable budget revenues regardless of economic fluctuations (Figure 2.11).

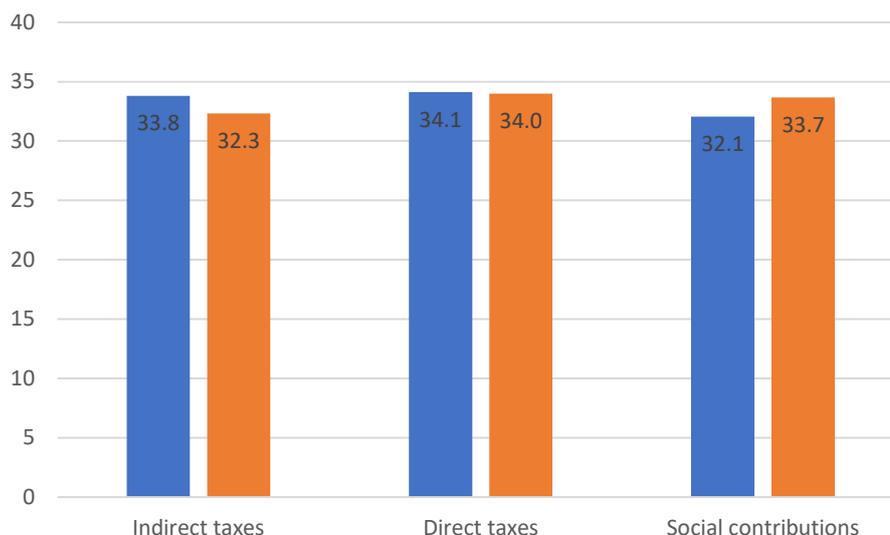


Fig. 2.11. Tax revenues by type of tax, 2022 (in % of total taxation (left) and in % of GDP (right))

Source: based on [132].

Direct taxes accounted for 34.1% of the total amount of taxation. They include personal and corporate income taxes. Direct taxes play a key role in ensuring social equity, as their rate can be progressive, i.e., increasing with income. Social contributions accounted for 32.1% of the total amount of taxation. They include contributions paid by both employees and employers to finance the social security system, including pensions, health insurance and other social services. Social contributions are critically important for maintaining social stability and ensuring equal opportunities for all citizens. The analysis of the structure of tax revenues in the EU for 2022 shows relative equality in the distribution between indirect taxes, direct taxes and social contributions, which indicates a balanced tax system in the EU countries that ensures stable budget revenues, supports social justice and finances essential social services. The current tax structure contributes to the economic stability and development of the EU countries, providing the necessary resources for public spending and investment in the future.

The tax system of the European Union is multi-level and includes EU institutions, national governments, local authorities, social security funds and others.

Each of these levels plays a unique role in the collection and distribution of tax revenues, providing funding for public services and social programmes (Figure 2.12).

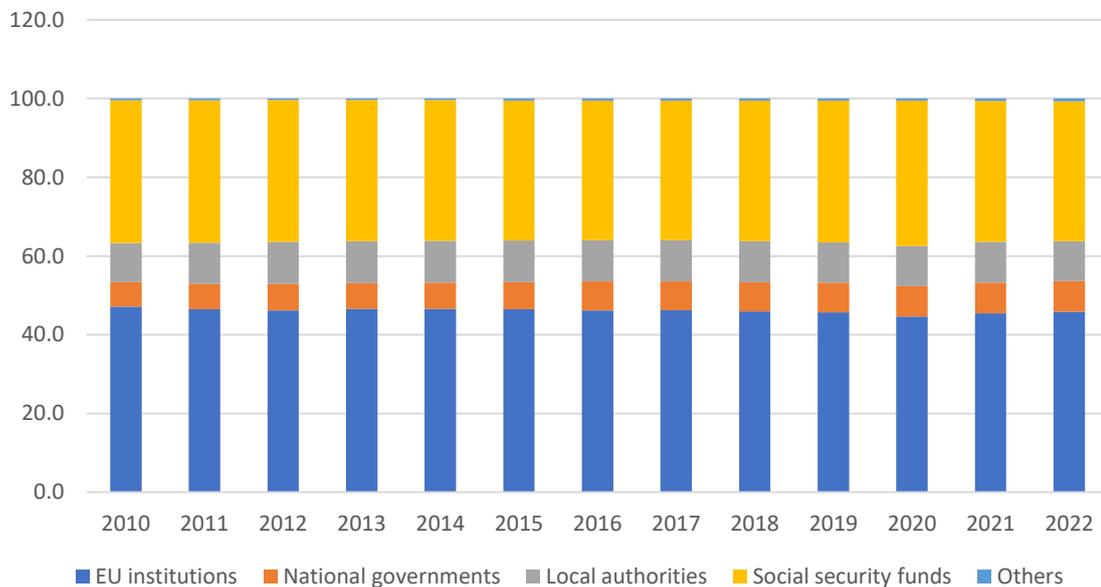


Fig. 2.12. Structure of tax revenues to the EU's common budget depending on the spending units, 2010-2022, in % of the total

Source: based on [122].

Tax revenues to the EU's central institutions account for the largest share, ranging from 44.6% to 47.2% between 2010 and 2022. The highest rate of revenues was observed in 2010 (47.2%), and the lowest in 2020 (44.6%). These figures indicate the significant role of the central government in tax collection. National governments of EU member states receive a stable share of tax revenues, increasing from 6.3% in 2010 to 7.8% in 2021 and 2022, indicating a gradual increase in the role of national governments in the tax system. The share of tax revenues to local governments in EU countries remained relatively stable, ranging from 9.8% to 10.7%.

Social security funds play a crucial role in the socio-economic development of the European Union. They are the main instruments for ensuring social justice, economic stability and well-being of the population. Their activities are aimed at solving social problems, supporting vulnerable groups and ensuring equal opportunities for all citizens. Social security funds receive a significant share of tax

revenues, which is kept within the range of 35.5-36.9%. Social payments and benefits reduce poverty and social inequality by meeting the basic needs of the population. The share of tax revenues to other EU institutions is the smallest, ranging from 0.4% to 0.7%. The overall picture indicates a stable tax system with a gradual redistribution of revenues to state and local governments, which may indicate decentralisation of fiscal functions.

Consumption taxes include value added tax and excise taxes levied on goods and services at various stages of production and consumption. VAT is one of the main sources of revenue for the EU's common budget and applies to most goods and services sold or provided in the EU. Excise taxes are applied to certain types of goods, such as alcoholic beverages, tobacco products and energy, to regulate their consumption and provide additional budget revenues. An analysis of data for the period from 2010 to 2022 shows a stable level of consumption taxes, which ranged from 10.7% to 11.2% of total taxation, indicating a constant and stable contribution of these taxes to the budgets of EU countries [170].

Personal income taxation in the EU includes taxes paid by employers, employees and the self-employed. Personal income taxes are an important source of budget revenues and apply to income received in the form of wages and salaries as well as other forms of income. Taxes paid by employers remained relatively stable between 2010 and 2022, ranging from 8.0% to 8.5%. The share of taxes paid by employees shows an upward trend, increasing from 9.4% in 2010 to 10.4% in 2020, then slightly decreasing to 10.1% in 2022. This may indicate a growing tax burden on employees. Taxes paid by the self-employed have remained relatively stable ranging from 2.2% to 2.6%, with minor fluctuations. In general, personal income taxes fluctuated from 20.0% in 2010 to a peak of 21.3% in 2020, then slightly decreased to 20.3% in 2022, which may be due to economic fluctuations or changes in tax policy.

The analysis of data for the period from 2010 to 2022 shows stability in consumption and personal income taxes, with some changes that may be related to the economic conditions of individual EU member states and their tax policies (Figure 2.13).

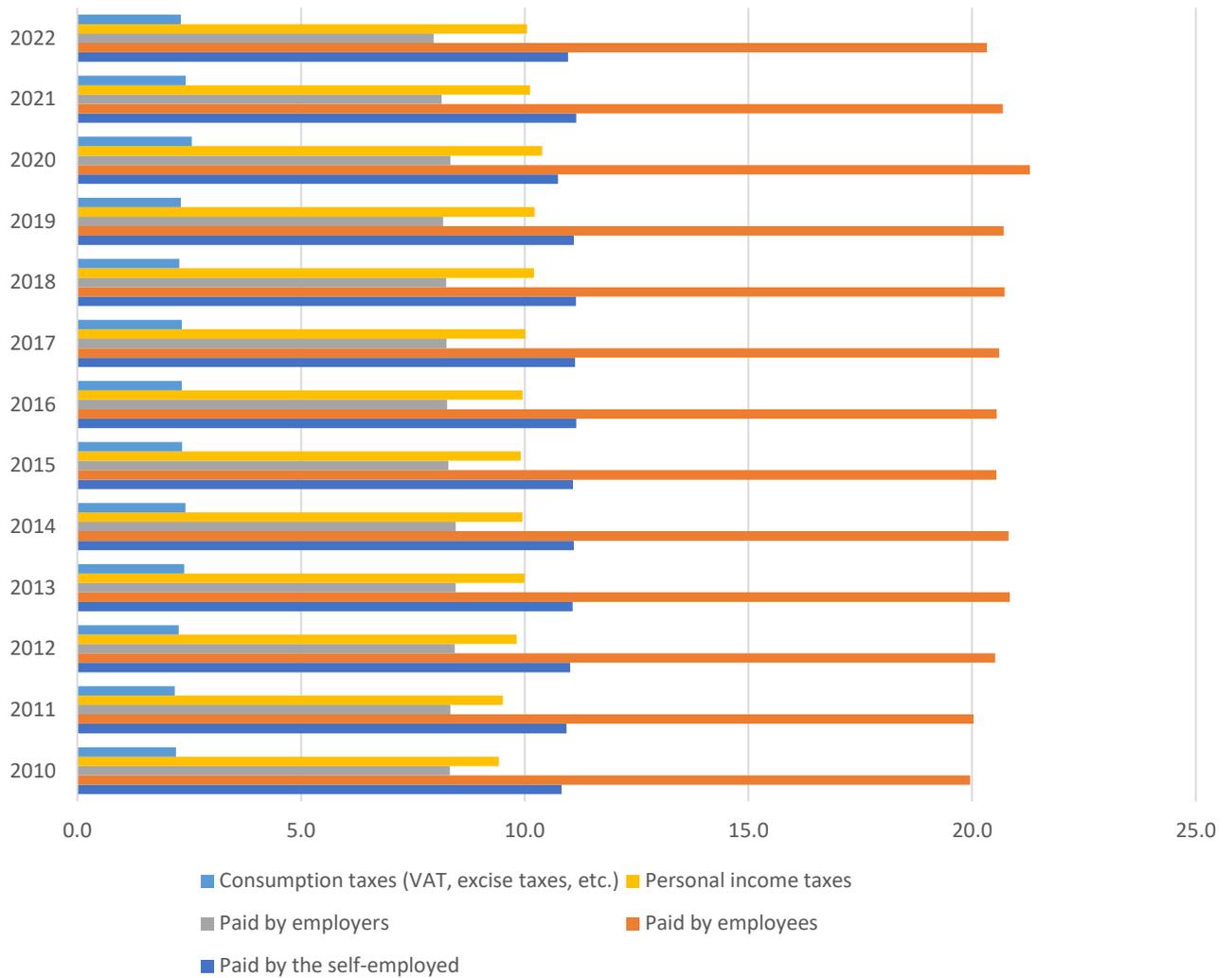


Fig. 2.13. Structure of tax revenues to the EU common budget by taxpayers, 2010-2022, in % of GDP

Source: based on [122].

Consumption taxes include value added tax (VAT) and excise taxes levied on goods and services at various stages of production and consumption. VAT is one of the main sources of revenue for the EU budget and applies to most goods and services sold or provided in the EU. Excise taxes are levied on certain types of goods, such as alcoholic beverages, tobacco products and energy, to regulate their consumption and provide additional budget revenues. The analysis of data for the period from 2010 to 2022 shows a stable level of revenues from consumption taxes, which ranged from 10.7% to 11.2% of total GDP generated by EU countries (Figure 2.14).

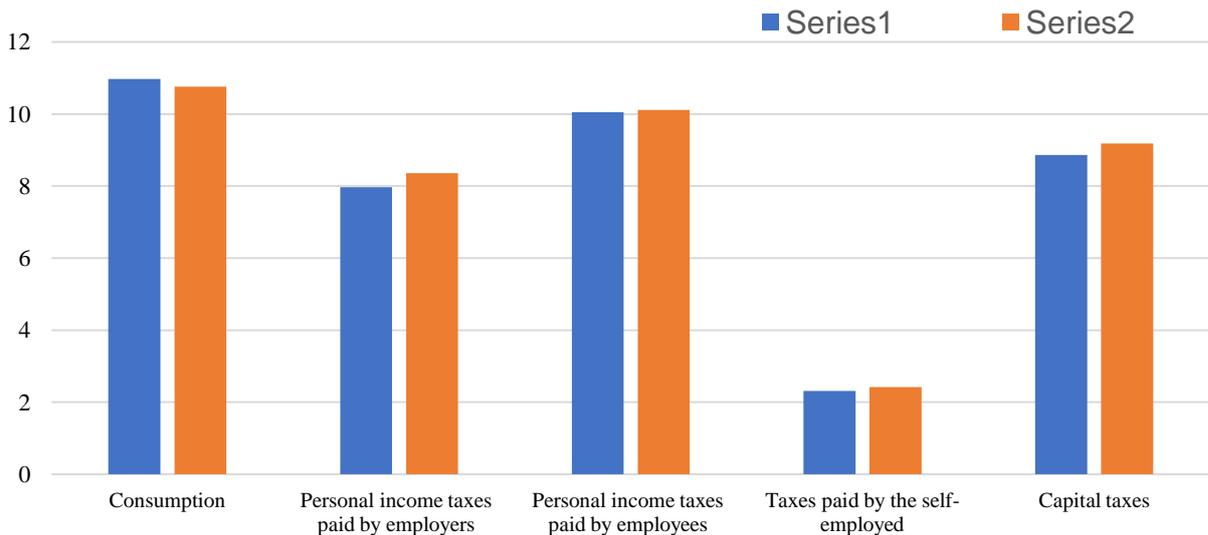


Fig. 2.14. Tax revenues to the EU common budget in 2022 (in % of total taxation (left) and in % of GDP (right))

Source: based on [122].

Personal income taxation in the EU includes taxes paid by employers, employees and the self-employed. Personal income taxes are an important source of budget revenues and apply to income received in the form of wages and salaries as well as other forms of income. Taxes paid by employers remained relatively stable between 2010 and 2022, ranging from 8.0% to 8.5%. The share of taxes paid by employees shows an upward trend, increasing from 9.4% in 2010 to 10.4% in 2020, then the volume of revenues slightly decreases to 10.1% in 2022. Taxes paid by the self-employed remain relatively stable in the range of 2.2% to 2.6%, with minor fluctuations. In general, personal income taxes fluctuated from 20.0% in 2010 to 21.3% in 2020, then slightly decreased to 20.3% in 2022.

Environmental taxes play an important role in the European Union's financial system, providing stable budget revenues and contributing to the achievement of environmental goals. In 2022, the total amount of environmental taxes in the EU was EUR 317.2 billion, which is 2.0% of EU GDP and 4.8% of total tax revenues. The main purpose of environmental taxes is to encourage the reduction of negative environmental impacts and support the transition to a more sustainable economy.

The main categories of environmental taxes include energy taxes (revenues to the EU's common budget in 2022 amounted to EUR 248.4 billion or 77% of the total), transport taxes (EUR 60.1 billion or 19% of the total), and pollution and resource taxes (EUR 12.3 billion or 4% of the total). The data in Figure 2.15 show that the bulk of environmental taxes are levied on energy, reflecting their importance for ensuring environmental sustainability in the EU by reducing emissions.

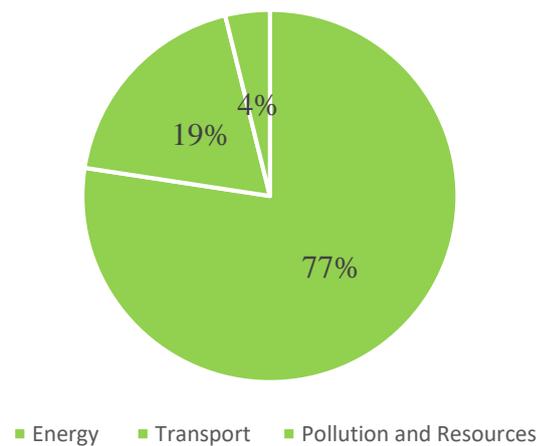


Fig. 2.15. The structure of environmental taxation in the EU, 2022, %

Source: based on [122].

Excise taxes on energy (e.g., oil and electricity), transport taxes (e.g., tax on high-emission vehicles) and pollution taxes (e.g., CO₂ fees) in the EU are aimed at encouraging businesses and individuals to reduce the use of environmentally harmful resources and to switch to cleaner technologies. One of the main features of environmental taxation is the polluter pays principle, which means that those who cause pollution must bear the costs of reducing and eliminating it. This encourages pollution reduction and investment in environmentally friendly technologies. In addition, revenues from environmental taxes are used to finance environmental programmes, including environmental restoration projects, the development of renewable energy sources, and energy efficiency.

Environmental taxes also contribute to fair competition in the market, as all market participants have the same incentives to reduce their negative environmental

impact. Such approaches ensure a level playing field for businesses and encourage them to shift to more environmentally friendly production models, and play an important role in achieving EU environmental goals, providing financial resources for environmental programmes, and promoting economic development by stimulating innovation and the adoption of environmentally friendly technologies.

Property taxes in the EU are taxes levied on owners of real estate, such as houses, land and other property assets. They may vary depending on the country and region but generally include real estate tax, tax on non-real estate assets (e.g., cars or other assets), and capital tax. According to the data for 2022, the total amount of property taxes amounted to EUR 332.7 billion, of which regular real estate taxes accounted for EUR 160.1 billion, while other property taxes totaled EUR 172.6 billion (Figure 2.16).

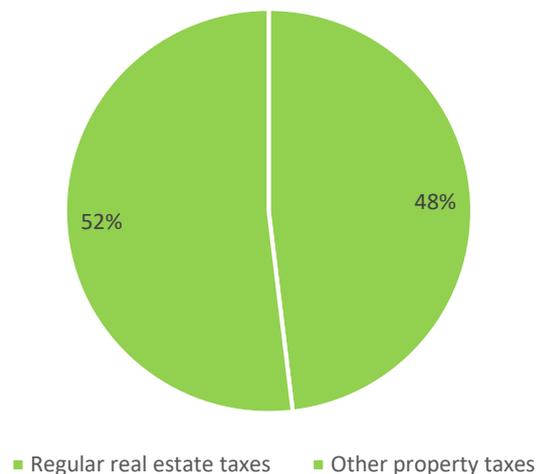


Fig. 2.16. Structure of property taxation in the EU, 2022, %

Source: based on [122].

The analysis of data in Figure 2.16 shows that property taxes steadily increased from 1.9% in 2010 to 2.3% in 2015-2016, followed by a slight decrease in revenue collection to 2.1% in 2022. Regular real estate taxes also show an upward trend, rising from 1.1% in 2010 to a peak of 1.4% in 2014, followed by a decrease to 1.0% in 2022. Other property taxes remain stable, fluctuating between 0.8% and 1.1% throughout the analysed period.

The assessment of different types of taxes in the EU gives grounds to assert the effectiveness of the tax systems of the member states in ensuring stable budget

revenues and supporting the economic development of the European Union. It has been established that indirect taxes, such as VAT, customs duties and excise duties, account for a significant portion of the EU's common budget revenues, providing a steady income flow regardless of economic fluctuations. Direct taxes, in particular on personal and corporate income, contribute to the implementation of the principle of social justice through the instruments of a progressive taxation scale, transparent and understandable administration.

Social contributions paid by employers, employees and the self-employed play a crucial role in the functioning of the social protection system, maintaining social stability and achieving social inclusion goals in EU countries. Property taxes, including real estate and other asset taxes, provide additional revenue to help finance local, infrastructure and digital development projects. Environmental taxes are aimed at reducing the negative impact on the environment, encouraging the transition to sustainable development, and emphasising the importance of preserving the environment for future generations. In general, the EU tax structure is balanced and efficient, ensuring stable budget revenues, social equity in collection and distribution, and support for economic growth in member states.

Conclusions to Chapter 2

1. The research conducted has proven the tax systems of the European Union countries to have both common features and significant differences, determined by the economic, social, and historical characteristics of each state. They are aimed at ensuring sustainable economic development, financing public services, and supporting the social welfare of the population. The peculiarities of tax accounting and administration in EU countries demonstrate a variety of approaches to forming the tax base, rates, and mechanisms for their collection. It is important to note the trend towards the harmonisation of tax norms within the EU to ensure transparency and competitiveness of EU member states' economies. Mechanisms for avoiding double

taxation as well as tax incentives foster the integration of EU countries into the global economy. EU tax systems, despite their complexity and differences, remain factors of balanced economic growth, innovation support, environmental initiatives, and social protection of the population, while the digitalisation and automation of tax administration processes significantly enhance the efficiency of tax collection and reduce opportunities for tax evasion.

2. It has been proved that the growing attention to sustainable development stimulates EU countries to implement so-called “environmental taxes”, which are becoming a key tool in the fight against climate change, promoting the formation of green economy, and reducing the negative impact on the environment. Taxes on CO₂ emissions and other greenhouse gases help control air pollution, improving its quality. The European Green Deal is a model strategy for integrating tax policy with environmental goals. This plan envisages the introduction of new tax instruments to support SDG, such as emissions taxes, as well as the gradual phasing out of fossil fuel subsidies. An important component of the EGD is the Carbon Border Adjustment Mechanism (CBAM), which ensures a fair price for carbon emitted during the production of goods imported to the EU, stimulating cleaner industrial production in non-EU countries.

3. It is justified that the EU tax systems are adapting to combat aggressive tax practices that undermine the socio-economic stability in member countries. Ensuring transparency in reporting on the corporate tax strategy and integrating tax aspects into sustainable development strategies allow to maintain compliance of business operations with tax legislation, to effectively use grant opportunities for environmental initiatives financing, to implement an efficient tax management, and to strengthen trust in corporate tax practices. Therefore, the proper integration of tax aspects into the companies’ sustainable development strategies enables to enhance the positive impact of taxation on business sustainability. Environmental taxation is not only a tool for reducing negative environmental impact but also an essential mechanism for stimulating innovation, supporting economic growth, ensuring social stability, achieving climate neutrality in EU countries by 2050, reducing greenhouse gas

emissions, preserving ecosystems, and improving the quality of life in the European Union.

4. The assessment of various types of the EU taxes provides grounds to claim the effectiveness of member countries' tax systems in ensuring stable budget revenues and supporting the economic development of the Union. Indirect taxes, such as VAT, customs and excise duties, constitute a significant portion of the EU's common budget revenues, ensuring a constant flow of income regardless economic fluctuations. Direct taxes, personal income tax and corporate income tax in particular, contribute to the realization of the principle of social justice through progressive taxation scale instruments, transparent, and understandable administration. Social contributions paid by employers, employees, and the self-employed individuals play an important role in the functioning of the social protection system, supporting social stability and achieving social inclusion goals in the EU countries. Property taxes, including real estate and other assets taxes, provide additional revenues that help fund local, infrastructural, and digital development projects. Overall, the EU tax structure is balanced and effective; it ensures stable budget revenues, social justice in collection and distribution, and support of economic growth in member countries. This demonstrates the ability of EU tax systems to adapt to modern challenges and promote sustainable development.

CHAPTER 3

ADAPTING THE TAX SYSTEMS OF THE EU COUNTRIES TO THE CHALLENGES OF GLOBALISATION AND ECONOMIC INTEGRATION

3.1. Prospects for harmonisation and convergence of tax systems of the EU countries

Harmonisation of the tax systems of the EU countries is a key condition for the formation of a single market and a single economy. Differences in tax systems impede convergence and economic integration, especially against the backdrop of increased market competition. These problems can be solved by harmonising the EU tax policy, taking into account the national peculiarities of the member states. The Treaty of Rome establishing the European Union stipulates that tax harmonisation is a process of harmonisation of tax strategies within the framework of integration cooperation, including coordination of tax policy, standardisation and partial unification of tax systems within international regional associations. It is aimed at creating a harmonious structure of tax systems and a single procedure for collecting major taxes in the EU countries and does not require their complete unification [27]. In the course of the European Union's development, several key principles of tax harmonisation have been formulated: harmonisation of legal regulation, synchronisation in the adoption of harmonised legislation, sequence of harmonisation stages and priority of international agreements over national laws of the member states.

The main areas of harmonisation of national tax systems include: harmonisation of the mechanism for collecting indirect taxes (such as VAT and excise taxes), as well as unification of corporate taxation [139]. The harmonisation of indirect taxation in the EU is largely focused on value added tax. VAT was first introduced in France in 1954, and since 1967, this tax has replaced a number of other indirect taxes. The harmonisation of VAT has gone through a number of stages and was aimed at achieving transparency of trade within the EU. In 1970, a decision was made to finance

the budget of the European Economic Community from the Community's own resources based on the share of VAT obtained by applying a common tax rate on a single valuation basis. The VAT Directive (2006/112/EC), adopted in 2007, unified these changes in a single legislative act. In 1985, the European Commission published a document on the completion of the internal market (COM(1985)0310), Part III of which dealt with the elimination of fiscal barriers to trade between EU member states [144].

In 1987, the European Commission proposed to change the VAT collection mechanism to the 'principle of origin', according to which transactions between member states would be subject to this tax in the country of origin. In addition, the Commission proposed to establish a clearing system to redistribute VAT collected in the countries of origin to the countries of consumption. However, these proposals were not acceptable to the Member States. Since 2000, the Commission has taken steps to improve the VAT rules. The main EU legislation on VAT is currently the VAT Directive (2006/112/EC), which requires that this tax be collected in the country where the services were provided or the goods were sold [116]. The new VAT collection system was based on the principle of destination-based taxation of goods, whereby VAT is paid by the final consumer and the country in which the last delivery is made is responsible for its collection. Thus, VAT began to have a neutralising effect on international competition: imports were taxed in the same way as domestic products, and export tax was refundable. Thus, exports of goods from the EU to third countries or between EU member states were exempt from VAT.

In 2005, the basis for unifying the rules on VAT collection in the EU was laid (Implementing Regulation (EU) No. 282/2011), according to which Member States could apply special rules to simplify the application of VAT. Regulation (EC) No. 37/2009 on administrative cooperation in the field of value added tax contributed to strengthening the fight against tax evasion related to intra-Community transactions [119]. In order to unify VAT rates from 1 January 1993. Directive 2006/112/EC introduced a minimum standard rate of 15%. In addition, countries could apply one or two reduced rates for certain types of goods and services, which could be as low as 5%.

Taking into account the need to modernise and update the list of goods and services eligible for reduced rates, Council Directive (EU) 2022/542 amends the application of reduced rates for specific policy purposes [113]. Currently, standard VAT rates in EU countries range from 15% to 25% [161].

However, the development of VAT did not stop there. Already in 2022, the European Commission proposed a number of measures (called ‘VAT in the Digital Age’) to modernise the VAT system and make it work better for businesses (in particular, by improving and expanding the single VAT registration through the Single Window), as well as to make it more resistant to fraud through digitalisation [154]. According to a Commission report, EU member states lost €61 billion in VAT revenue in 2021, or - in relative terms - 5.3% of the total VAT tax liability, which includes tax revenues that would have been collected in case of full compliance. The lost revenue, known as the VAT compliance gap, can be directly attributed to VAT fraud related to intra-EU trade (this fraud is largely possible because 30-year-old VAT rules for cross-border trade have not been adapted to businesses in the digital age) [154].

Excise taxes were unified within the European Union in a similar way to VAT. It is worth noting that the rates and structure of excise duties differ between Member States, which affects the competitiveness of businesses in different EU countries. Significant budgetary losses associated with high excise rates have prompted countries to reconsider their strategies for their application, as residents of countries with high excise taxes often purchase excisable goods in countries with lower rates. The general provisions applicable to all goods subject to excise duty under EU law are set out in Council Directive (EU) 2020/262 [112]. The Directive includes a number of measures aimed at optimising and simplifying the processes covering the interaction of exports and imports of excisable goods. In accordance with the provisions of the Directive, the supervision of the movement of goods between Member States has been digitised, and the movement of goods is carried out by exchanging electronic messages through a computerised excise control system. The Directive also harmonises other EU excise and customs procedures.

With regard to the taxation of alcoholic beverages, the EU governmental institutions have traditionally assumed that all alcoholic beverages are interchangeable and compete with each other. To define the alcoholic beverages subject to excise taxation and the methods of setting the respective rates, Directive 92/83/EEC was adopted, which set minimum excise rates for each category of alcoholic beverages and allows for reduced rates in certain regions, such as Greece, Italy and Portugal. Currently, Member States have the right to set excise rates above these minimum levels according to their national needs [111].

Regarding tobacco products, the basic structure of excise rates was consolidated in a consolidated Directive (2011/64/EU), which set minimum rates for these products and defined collection mechanisms. In particular, taxes on cigarettes must include a proportional (ad valorem) rate combined with a specific excise duty, while other tobacco products may be taxed according to ad valorem, specific or mixed excise duties [117]. Since 2020, the European Commission has been reviewing the current tobacco taxation rules to determine whether they continue to ensure the efficient functioning of the internal market and a high level of public health protection. This assessment is critical to the European Cancer Action Plan, as taxation plays a key role in reducing tobacco use, especially among young people. A preliminary impact assessment was published on 8 January 2021, in which the Commission noted that the minimum rates set by the directive no longer reflect current realities, as most Member States tax tobacco products at levels higher than these minimum rates. Many new tobacco products are also not covered by the current directive, which contributes to the abuse and cross-border purchases of these products.

The basic structure of excise duties on oil in the EU was laid down in 1992. As in the case of alcohol and tobacco, only minimum excise rates were set, which differed from the original plans that envisaged full harmonisation. An important event was the adoption of a substantially updated version of the collection of these excise taxes, as set out in Directive 2003/96/EC, as well as Directives 2004/74/EC and 2004/75/EC. Under these regulations, aviation fuel, except for private recreational flights, is exempt from excise taxation, but Member States have the option to tax aviation fuel for

domestic flights and, through bilateral agreements, may also levy a tax on fuel used for intra-EU flights. In such cases, countries may apply a tax level lower than the minimum. In 2003, under Directive 2003/30/EC, measures were proposed to encourage the use of biofuels, including the possibility of applying a reduced excise duty rate to this type of fuel [115].

The latest energy taxation initiatives are related to the implementation of the European Green Deal, which is a package of policy initiatives aimed at adapting EU member states to the green transition with the ultimate goal of achieving climate neutrality by 2050. Launched by the Commission in 2019, this agreement contains proposals aimed at aligning EU legislation with climate goals, in particular through the revision of Council Directive 2003/96/EC (Energy Taxation Directive). The revision aims to ensure better coherence with other EU policies and contribute to the achievement of medium- and long-term energy and climate goals by more accurately reflecting the environmental impacts of different energy sources and encouraging behavioural changes in consumers and businesses. The directions of harmonisation of indirect taxation in the EU are illustrated in Fig. 3.1.

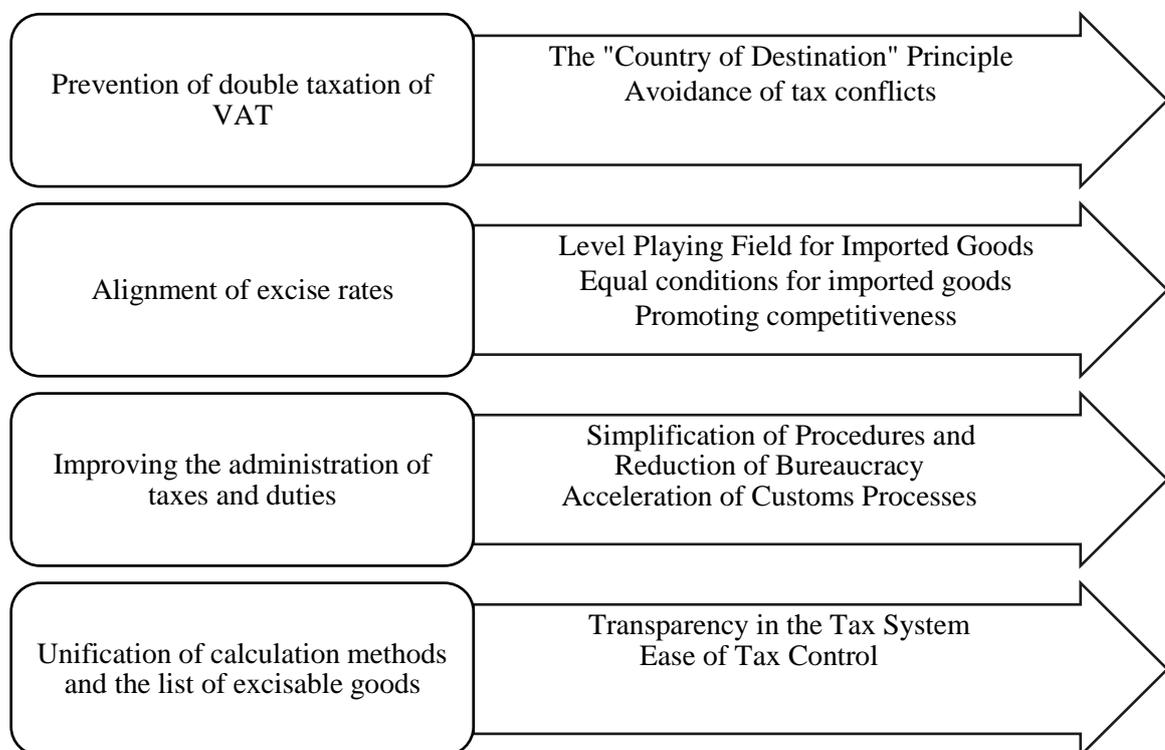


Figure 3.1. Directions of Indirect Tax Harmonisation in the EU

Source: own research.

Thus, the harmonisation of indirect taxes within the European Union covers several key areas aimed at creating a more effective and fair taxation system. Firstly, it involves preventing double taxation of VAT through the application of the "country of destination" principle, which means that taxes are levied in the country to which the goods are delivered. This helps avoid situations where the same goods are taxed in multiple countries, improving economic efficiency and competitiveness for businesses. The introduction of mechanisms for taxing multinational companies helps to mitigate tax conflicts.

Secondly, an important part of the harmonisation is the alignment of excise tax rates for imported goods, which ensures a level playing field for products supplied from other countries and encourages domestic producers to improve the quality of their goods.

The third area focuses on improving tax and customs administration by simplifying procedures, reducing bureaucratic barriers, and enhancing the efficiency of customs authorities. As a result, businesses will be able to navigate customs procedures more quickly and easily.

Ultimately, harmonisation also includes the unification of calculation methods and the creation of a unified list of excisable goods, promoting transparency in the tax system and making it easier to monitor tax collection at the EU level. These measures are aimed at ensuring integrated and harmonised approaches to taxation in EU member states, which, in turn, helps achieve common economic objectives.

Harmonisation of direct taxes, particularly corporate taxation, is a crucial element of the European Union's integration policy. Its goal is to create uniform, equal conditions for all taxpayers within the EU, which, in turn, facilitates easier access to the internal market. Creating a fair and transparent business environment is a key factor in attracting foreign investment, enabling the establishment of subsidiaries and branches of multinational corporations. One of the main objectives of harmonisation is to prevent double taxation, ensuring that companies operating in multiple member states do not have to pay taxes on the same income in different jurisdictions. The

introduction of comprehensive double taxation avoidance agreements between EU countries helps harmonise fiscal systems and reduce the risk of tax conflicts.

Since 1963, the OECD's Model Convention on Income and Capital Taxation has served as the primary document for negotiating, interpreting, and applying tax agreements. The convention helps reduce tax barriers to cross-border trade and investment, enhancing certainty and predictability, while also helping prevent tax evasion. By supporting and regularly updating the Model Tax Convention, the OECD provides EU countries with a solid foundation for negotiating and implementing agreements aimed at minimizing international double taxation, thereby preventing inadvertent taxation.

An important document in the area of tax harmonisation within the EU is the Multilateral Convention to Implement Tax Treaty Measures to Prevent Base Erosion and Profit Shifting (BEPS MLI). This international document aims to combat tax violations, particularly tax evasion and abuse of tax treaties. The main provisions of BEPS MLI include the ability to swiftly update tax treaties, allowing countries to make necessary changes to existing bilateral tax agreements without the need for re-negotiation. This is achieved through a mechanism that applies simultaneous amendments to multiple treaties.

BEPS MLI sets agreed-upon minimum standards to counter treaty abuse, including the introduction of rules that prevent the creation of artificial structures to avoid tax obligations. The convention also provides new mechanisms for resolving international tax disputes, promoting transparency and efficiency in the dispute resolution process. Other important elements include the obligation for countries to adhere to minimum standards in the fight against tax evasion, such as rules regarding the exchange of information on taxpayers and automatic data exchange mechanisms.

The impact of BEPS MLI on global taxation lies in the potential increase in tax revenues for states due to the difficulty it imposes on multinational corporations in avoiding taxes. Furthermore, with over 100 jurisdictions participating, it highlights the global cooperation efforts in tax policy, and the adopted standards can contribute to creating a unified business environment based on fair rules. BEPS MLI also reduces

the administrative burden typically associated with negotiating with each country individually (Table 3.1) [167].

Table 3.1

The influence of the key provisions of the BEPS MLI on the harmonisation of tax systems

Main provisions	Contents of the provisions
Impact of the provisions on the harmonisation of tax systems	
Quick update of tax treaties	The BEPS MLI allows countries to make the necessary changes to existing bilateral tax treaties without the need for re-negotiation, which is achieved through a mechanism that allows simultaneous amendments to multiple treaties and facilitates adaptation to new standards.
Eliminating gaps in tax rules	The Convention contains provisions aimed at eliminating deficiencies in existing tax treaties that could be used for tax evasion, which may include restrictions on the use of treaties that allow for the avoidance of existing taxation.
Counteracting abuses in the implementation of agreements	The BEPS MLI establishes agreed minimum standards to help prevent abuse in the implementation of tax treaties.
Improving dispute resolution mechanisms	The Convention provides for new mechanisms for resolving international tax disputes, which contributes to a more transparent and efficient process of resolving disputes related to the interpretation of tax treaties.
Commitment to minimum standards	The countries that have signed the BEPS MLI commit to adhering to agreed minimum standards in their efforts to combat tax evasion, including rules on the provision of taxpayer information and mechanisms for automatic data exchange between states
Expected results	
Increase in tax revenues	The use of BEPS MLI can lead to an increase in tax revenues for states, as the rules introduced by the convention make it more difficult for multinationals to evade taxation.
Improvement of international cooperation:	The standards adopted in the BEPS MLI can contribute to the creation of a single space for doing business based on fair rules.
Reduce the administrative burden	Through a multilateral approach, countries can reduce the administrative burden usually associated with negotiating with each country individually.

Source: compiled by the author based on [168].

Thus, the BEPS MLI is an important tool in the fight against tax evasion by multinational companies and abuse of tax treaties. The key efforts under this document aimed at harmonising international tax standards will ensure greater fairness in the global business environment. However, the effectiveness of the implementation of the

BEPS MLI provisions largely depends on the ability of countries to maintain transparency and cooperation in the field of taxation.

With regard to the harmonisation of the EU direct tax system, proposals for the harmonisation of income tax have been discussed in the European Union for several decades, starting with the Neumark Report of 1962 and ending with current initiatives. In 1975, a directive was proposed to equalise corporate tax rates between 45-55%. However, in 1980, the European Commission noted that attempts to harmonise income tax within European countries were not successful (COM(80)0139) and proposed to focus on measures to complete the transformation of the EU internal market. The ‘Guidelines on Corporate Tax’ published in 1990 (SEC(90)0601) presented three main proposals for harmonisation of corporate taxation: The Merger Directive (90/434/EEC, now 2009/133/EC), the Parent-Subsidiary Directive (90/435/EEC, now 2011/96/EU) and the Arbitration Procedure Convention (90/436/EEC) [127].

After numerous discussions, in 1996 the European Commission introduced a new approach to taxation, in particular the Code of Conduct on Business Taxation, which was adopted by the European Council in 1998. A Code of Conduct Group (Primarolo Group) was established to address cases of unfair taxation during this process. In 2001, an ‘analytical study of company taxation in the European Community’ (SEC(2001)1681) and the corresponding conclusions (COM(2001)0582) were prepared, which stated that companies face significant difficulties due to the need to adapt to different national regulations [127]. In 2011, the European Commission presented an initiative to introduce a common consolidated corporate tax base, according to which companies could use a single system to file tax refund requests and consolidate their profits and losses within the EU, while Member States retained the right to set their own corporate tax rates.

In 2023, the European Commission introduced a new initiative called ‘Business in Europe: A Framework for Income Taxation’ (BEFIT). This proposal is aimed at creating a single set of corporate tax rules in the EU. The main goal of BEFIT is to reduce administrative costs for businesses operating in several member states and to simplify the process of determining tax liabilities for national tax authorities. The

BEFIT proposal replaces previous initiatives and will enter into force on 1 July 2028. This comprehensive programme of measures demonstrates the EU's efforts to harmonise corporate taxation and combat tax evasion.

An important aspect of harmonisation is the creation of efficient taxation systems that contribute to the economic development of EU member states. Effective taxation reduces the tax burden on businesses and encourages investment in the manufacturing sector. It is worth noting that creating a healthy tax environment also includes reducing tax privileges, which, as the experience of EU countries shows, has a positive impact on business competitiveness. During the financial crisis of 2008, many countries, including the European Union, focused on combating tax evasion and ensuring fair taxation of companies. One of the key approaches to achieving this goal was to increase the transparency of tax practices. In March 2015, the European Commission presented the Tax Transparency Package, which included a Council Directive on the automatic exchange of information on tax rulings between Member States (Directive (EU) 2015/2376) and an anti-avoidance initiative [110].

In 2015, an action programme was also developed to create a fair and efficient corporate tax system in the EU, which included tax reforms to combat tax abuse, ensure stable public revenues and improve the business environment within the internal market. In 2016, a number of measures were developed to combat tax evasion, including the Anti-Tax Avoidance Directive (ATAD) [110]. In December 2021, the Commission presented ATAD 3 or the Unshell Directive, which contained rules to prevent the abuse of shell companies for tax purposes. This directive is still under discussion in the Council, although the European Parliament adopted a favourable opinion in January 2023. On the issue of transparency, an amendment to Directive 2013/34/EU on the disclosure of information relating to income tax by multinational enterprises and branches was adopted in November 2021, which obliges these companies to publish certain information provided to tax authorities [135].

To improve the exchange of information, the Administrative Cooperation Directive (DAC) was adopted in 2011. This directive has been amended several times in recent years, with the most recent amendment (DAC 8) being introduced in 2023 to

regulate the exchange of information on crypto assets and electronic money. Earlier, in March 2021, DAC 7 was adopted, which obliged Member States to automatically exchange information on revenues generated by sellers on digital platforms. DAC 6, adopted in May 2018, required intermediaries, such as consultants and lawyers, to report certain tax treaties to local tax authorities for the purpose of automatic exchange of information within the EU.

Another important aspect of harmonisation is the simplification of tax procedures for small and medium-sized businesses (SMEs). Simplified reporting and reduced administrative barriers provide easier access to the market and promote entrepreneurship, which is the driving force behind the EU economy. Studies show that reducing the tax burden and simplifying procedures can significantly increase investment activity in the SME sector (Table 3.2) [131].

Table 3.2

Key aspects of simplifying tax procedures for SMEs

Criteria	Content
Reduction of administrative barriers	
Simplified reporting	SMEs face a large investment of time and resources in fulfilling their tax obligations. Simplifying reporting, for example by introducing a single reporting format, can greatly facilitate this process. The use of modern technologies, such as electronic reporting, can also reduce paperwork and improve control over tax liabilities.
Reducing reporting requirements	Reducing the number of documents required to be submitted or simplifying accounting standards can make it much easier for SMEs to do business and increase their competitiveness in the market, as easier accounting and reporting requirements allow them to respond more quickly to changes in the market environment.
Tax benefits and rebates	
Targeted tax benefits	The introduction of targeted tax incentives for SMEs can stimulate investment in development, innovation and new technologies. For example, subsidies for research and development can encourage small businesses to invest in innovation.
Preferential tax rates	Preferential tax rates for new companies help start-ups reduce start-up costs and enter the market with fewer risks.
Benefits for the EU economy	
Improving access to financial resources	Simplified tax procedures can make SMEs more attractive to investors and financial institutions. A clear and competitive tax system would make it easier for businesses to obtain loans and investments.
Positive impact on investment activity	Reducing the tax burden and simplifying procedures can significantly increase investment activity in the SME sector, which can stimulate not only domestic investment but also attract foreign investment, which is an important factor for economic growth.

continuation of Table 3.2.

Employment growth	Supporting and developing SMEs helps to create new jobs, which in turn helps to reduce unemployment.
Innovations and competition	The simplification of tax procedures encourages innovation in business, as SMEs have more opportunities to invest in new technologies and products.
Economic resilience	A strong SME sector builds a resilient and adaptable economy through the diversity of businesses in different sectors.

Source: compiled by the author based on [131].

The harmonisation of personal income taxation in the European Union is a complex process aimed at establishing common principles and rules of taxation to ensure fairness, efficiency and transparency in the taxation systems of the Member States. However, it should be noted that full harmonisation of personal income taxation has not been achieved due to the diversity of national taxation systems and the historical and cultural characteristics of the member states. The basic principle of the EU is to ensure the free movement of persons, so it is important that member states maintain a fair taxation of individuals moving between countries. This refers to the problem of double taxation, where the same person can be taxed in several countries at the same time. To prevent tax evasion, the EU has introduced several directives, such as Directive 2011/16/EU on administrative cooperation, which allows members to automatically exchange information on personal income and bank accounts. It aims to improve cooperation between EU member states in tax matters, especially in the context of increasing globalisation. The document repeals the previous Directive 77/799/EEC, introducing clearer rules for the exchange of information to improve the effectiveness of the fight against tax fraud and tax evasion. In addition, the directive provides for automatic exchange of information, voluntary and spontaneous requests, which allows states to more effectively monitor tax liabilities [117].

The EU is introducing measures to combat tax evasion, in particular by improving reporting standards and increasing transparency in financial transactions. For example, the BEPS (Base Erosion and Profit Shifting) programme offers recommendations to prevent abuse of taxation systems. The BEPS project was developed within the framework of the Organisation for Economic Co-operation and

Development (OECD) with the active support of the G20 countries. The main goal of this project is to promote international cooperation to combat the above-mentioned schemes, as well as to develop a set of recommendations for national governments to be implemented in their legislation.

The foundations of the BEPS project were laid in 2012, and in 2013, the OECD presented its first report on the issue and proposed the ‘Action Plan on Base Erosion and Profit Shifting’, or the BEPS Plan, for short. The BEPS Plan consists of 15 points, each of which sets out a separate tax problem and proposed solutions to address it, which should be implemented in national legislation and international agreements. In October 2015, the OECD completed the final development of all the points of the Plan and submitted the final report approved at the G20 Summit in Turkey in November 2015. It is worth noting that the BEPS Plan is open to countries not only from among the OECD and G20 members, but also to countries from other regions, which were invited to join the ‘inclusive group for the implementation of the BEPS Plan’ [103]. The harmonisation of direct taxes in the EU is a key tool for creating a single economic space that provides equal opportunities for all taxpayers. It helps to avoid tax conflicts, reduces opportunities for tax evasion, stimulates investment activity and ensures a fair tax environment for businesses. Prospects for harmonisation of tax systems in the EU may include the following areas (Figure 3.2).

The implementation of the key principles of the Organisation for Economic Co-operation and Development (OECD) into national legislation in the EU is an important process to ensure consistency and transparency of tax systems. The main goal of this process is to harmonise tax rules and policies with international standards, which contributes to a fair and stable tax environment. One of the main principles of the OECD is the so-called ‘arm's length principle’, which stipulates that transactions between related parties should be on terms that would be accepted between independent parties. Many EU countries have implemented this principle in their legislation, which allows avoiding artificial overstatement or understatement of tax bases [120].

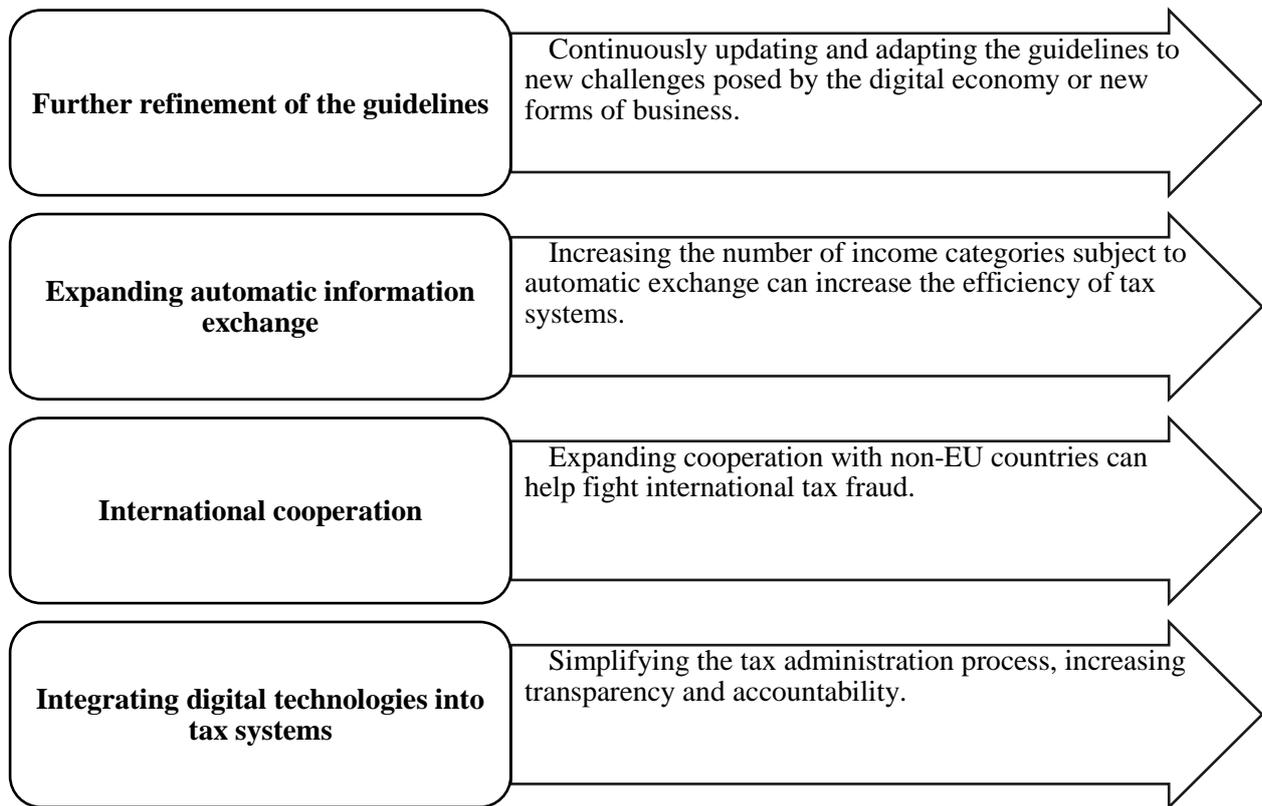


Fig. 3.2. Prospects for harmonisation of EU tax systems

Source: own research.

In addition, the OECD has developed transfer pricing principles that have become the basis for national rules in many EU countries. They are aimed at preventing price manipulation in transactions between related companies, which can lead to a reduction in tax revenues. Another important principle is country-by-country reporting (CbCR), which requires multinational companies to disclose information about their income, taxes and activities in each country where they operate. This approach allows tax authorities to better understand the activities of multinationals and identify potential tax evasion.

In turn, BEPS includes a number of recommendations aimed at preventing tax evasion through the use of international accounting schemes. Almost all EU countries have already adopted these recommendations as part of their national legislation [120]. The implementation of the OECD's key principles in the national legislation of the EU countries contributes to the transparency, fairness and stability of tax systems, which allows for a more effective fight against tax evasion and ensures a fair distribution of

tax revenues between countries. The harmonisation of tax rules with international OECD standards is an important step towards creating a single economic space within the EU (Annex A).

It is worth noting that despite the positive aspects, there are significant challenges to harmonising the tax systems of EU countries. The diversity of tax systems and cultural and economic differences between countries may make it difficult to reach consensus on common rules. Countries with low tax rates may be less inclined to harmonise, as this may threaten their competitive position. In addition, harmonisation of tax systems may lead to a loss of autonomy of member states in formulating their own tax policy, which is an important tool for regulating economic development. Political differences and national interests may create additional obstacles to the harmonisation of common approaches. Finally, the complexity of the harmonisation process requires significant resources and time to achieve effective results, as well as political will and trust among member states to implement joint initiatives.

Thus, it is established that the harmonisation and convergence of the tax systems of the European Union countries are critical to ensuring their economic stability and increasing competitiveness. It is proved that harmonisation removes barriers to the free movement of goods, services, capital and labour, promotes fair distribution of tax revenues, reduces administrative costs for business and prevents tax competition between member states. It is substantiated that this process not only reduces opportunities for tax evasion, but also stimulates economic development by creating a single integrated market. In addition, the harmonisation of tax systems can help reduce inequality between member states, ensuring more balanced economic growth. Successful implementation of tax harmonisation initiatives will require the active participation of all member states, as well as a willingness to compromise and joint efforts to combat tax abuse. Given the complexity and diversity of the member states' economies, the harmonisation process is a lengthy one, but its results could significantly improve the overall economic situation in the EU.

3.2. Improving tax accounting as a mechanism for achieving fiscal transparency

Tax accounting is a key element of the EU financial system, as it establishes the procedure for calculating and paying taxes, ensures openness of information and proper control over budget revenues, reduces corruption risks, prevents tax evasion and other types of financial non-transparency. The harmonisation of tax accounting rules and standards contributes to the quality and reliability of financial reporting, which in turn increases confidence in the financial system and facilitates economic decision-making at the level of both individual business entities and government authorities. In this context, the EU's initiatives to strengthen tax coordination and introduce common tax reporting standards play an important role.

One of the key aspects of improving tax accounting as a tool for ensuring financial transparency in the European Union is the introduction of common tax reporting standards. The harmonisation of requirements for the preparation and submission of tax reports by business entities helps to improve the quality and comparability of financial information at the European level. The EU's initiatives in this area include the development and implementation of the Common Consolidated Corporate Tax Base (CCCTB), which provides for the unification of the rules for determining the tax base for corporate income tax. The CCCTB requires standardisation of tax accounting methods, in particular, the rules for recognising income and expenses, depreciation, provisioning, etc. The unification of tax reporting under the CCCTB contributes to its comparability and, consequently, to the transparency of financial information [108].

In parallel with the CCCTB, the EU is also implementing other initiatives aimed at harmonising tax reporting requirements. In particular, the Directive on the mandatory automatic exchange of information in the field of taxation (DAC6) introduces common rules for reporting cross-border tax schemes, which allows tax authorities of EU member states to receive comprehensive information on potentially

aggressive tax optimisation schemes, which contributes to a more effective fight against tax evasion.

The previous CCCTB initiative is now being replaced by the new BEFIT (Business in Europe: Framework for Income Taxation) concept, which is intended to continue the process of corporate tax harmonisation. BEFIT covers large groups of EU resident companies, while the CCCTB was designed for voluntary application. Various options are envisaged, ranging from full compliance for all large groups to optional compliance with the possibility of voluntary choice. The tax base calculation proposed by BEFIT involves two approaches: either limited tax adjustments or a comprehensive set of tax base rules. Such approaches provide greater flexibility and the possibility of adapting the rules to the specifics of different jurisdictions. Similar to the CCCTB, the BEFIT provides for the consolidation of the financial results of a group of companies to determine a single tax base. However, the mechanisms for distributing consolidated profit (loss) among group members may differ.

Overall, the BEFIT initiative demonstrates the evolution of the EU's approach to corporate tax harmonisation towards greater flexibility and adaptability, while maintaining the key principles of consolidation and unification of rules. The goal of BEFIT is to create a simple and effective common corporate tax system in the EU. To achieve this goal, the tax base of each member of the BEFIT group will be determined by means of limited general tax adjustments to income. To ensure consistency, the entire BEFIT group will use the same financial accounting standard as a starting point. The tax adjustments will be made to the 'reconciled' financial statements of each group member, i.e. these statements will be adjusted to conform to the group's consolidated financial reporting standard. The list of such adjustments includes tax depreciation, profit distribution, deduction of business expenses, long-term contracts, bad debts, provisions and taxes paid (Table 3.3) [107].

The study shows that the main difference between BEFIT and previous initiatives such as CCCTB is the approach to determining the tax base. BEFIT is based on the rules established by the new Pillar 2 Directive, which uses financial statements as a starting point and subjects the annual financial result to a number of tax

adjustments [104]. The final step in determining the tax base is to combine the tax results of all BEFIT group members to create a common tax base. Intra-group transactions will be neutralised to avoid double deduction or double taxation, with the exception of certain specific income, such as income from transport activities.

Table 3.3.

Key differences between the Common Tax Reporting System (CCCTB) and the Corporate Taxation System (BEFIT)

Criteria	Features of CCCTB	Features of BEFIT	Differences
Main objective and context of implementation	The main objective of the CCCTB was to create a single system for calculating the corporate tax base for companies operating in the EU. It was aimed at eliminating double taxation, differences in national tax systems and artificial profit shifting. The CCCTB project was first initiated in 2011, but faced resistance from some member states due to the threat of losing control over national tax systems.	The initiative was introduced in September 2021 to create a more modern and flexible corporate tax system adapted to the digital economy. It takes into account the need to update the tax base due to changes in the global economic environment, in particular after the COVID-19 pandemic, as well as the implementation of the global minimum corporate tax rate (under the auspices of the OECD).	CCCTB focuses on standardising the calculation of the tax base, while BEFIT takes a broader approach by integrating new global tax principles.
Calculation of the tax base	The calculation was based on uniform rules for all EU countries. The system involved consolidating the income and expenses of companies within a single corporate group, after which the base was distributed among member states based on a formula that took into account three key factors: income (revenue); number of employees; and asset allocation.	BEFIT aims to simplify the calculation of the tax base, taking into account not only traditional indicators but also new criteria related to the digital economy and transnational operations.	CCCTB's formula was rigidly fixed, while BEFIT will take a more dynamic and multifactorial approach.
Application area	The system was designed for large multinationals with a significant presence in several EU countries. Smaller national companies and small businesses were generally left out of the CCCTB.	It has a potentially broader scope, covering not only traditional multinationals, but also digital platforms, financial institutions, and companies using new business models.	BEFIT offers a wider scope of coverage, including companies that previously could avoid taxation due to digital business models.

continuation of Table 3.3.

Harmonising tax rates	The system focused only on harmonising the tax base, leaving EU member states free to set their own tax rates.	Although BEFIT also leaves the issue of tax rates to the discretion of member states, the initiative is linked to global OECD tax reforms, in particular the introduction of a minimum corporate tax rate (15%), which has an impact on the integration of international standards into EU tax policy.	CCCTB avoids rate issues, while BEFIT takes into account global tax reforms.
Political support	The project faced considerable opposition due to fears of a loss of state sovereignty in the field of taxation. Countries with low tax rates, such as Ireland and Luxembourg, were particularly critical of the initiative.	The initiative has gained more support due to its flexibility and focus on global issues, but still faces resistance due to the difficulty of adapting to the different economic conditions of member countries.	BEFIT has a better chance of being implemented due to the current context and closer integration with global initiatives.
Business impact	The introduction of the CCCTB could significantly reduce administrative costs for companies operating in several countries, but also posed the risk of reducing flexibility in managing tax liabilities.	BEFIT promises not only to simplify tax procedures, but also to take into account modern challenges such as digitalisation and environmental requirements.	BEFIT is better adapted to modern business needs.

Source: Own research based on [107].

Whether the combined tax base of BEFIT is positive or negative, the profit or loss will be allocated to the relevant group members. The allocated portion of the profit or loss for each group member will be subject to a limited number of adjustments based on a list of items that will not be covered by the general rules. This includes research and development incentives, pension contributions, tax credits related to transactions with third countries, etc. As certain elements are of a national nature, it is important for Member States to allow national adjustments for a limited number of items. In general, the introduction of common tax reporting standards in the European Union is an important step towards increasing financial transparency and strengthening tax discipline, which not only improves the quality and comparability of financial

information, but also creates additional levers to effectively counteract aggressive tax planning and tax evasion [107].

While the CCCTB was aimed at creating a unified system for calculating the tax base for EU countries, focusing on multinational companies and traditional business models. BEFIT takes into account the challenges of the digital economy and global initiatives aimed at combating tax evasion, and is more adaptive to the current economic environment, but its successful implementation depends on the coherence of the political will of EU member states.

The CbCR reporting mechanism was introduced by the European Union and other international organisations (e.g., the OECD) to increase transparency in the taxation of multinational companies (MNCs). The main goal of the CbCR is to provide tax authorities with detailed information on where and how MNCs earn their profits, pay taxes, and in which countries they operate [121]. According to the EU CbCR Public Reporting Directive, companies with revenues over EUR 750 million are required to publish reports on their revenues, taxes paid and economic activities in each country where they operate, which allows the public and relevant authorities to assess the objectivity of taxation [129]. The reports are filed in the country of the parent company and transmitted to the tax authorities of the countries where the group operates through an automatic exchange of information.

Table 3.4

The impact of the CbCR on tax transparency in the EU

Criteria	Content
Positive aspects	
Transparency of TNCs' activities	Thanks to CbCR reporting, tax authorities are able to identify cases of profit shifting to low-tax jurisdictions (aggressive tax planning), which reduces the possibility of tax avoidance.
Preventing tax evasion	More data on the activities of companies in different countries makes it possible to identify potential risks, such as the use of transfer pricing or artificial income shifting.
Improving confidence in the tax system	The public is growing in confidence that large corporations bear fair tax responsibility.
Reputational impact	For many companies, public CbCR has become an important aspect of corporate social responsibility (CSR). Investors and the public can analyse the extent to which a company adheres to the principles of transparency.
Support for economic justice	Greater transparency prevents large corporations from unfairly reducing their tax costs while small and medium-sized enterprises pay the full rate.

continuation of Table 3.4.

Criticisms and challenges	
Administrative burden	For some companies, preparing a CbCR can be costly and complex
Protection of confidential information	There are concerns that disclosure of financial data may affect competition.
Insufficient coverage	The CbCR covers only large MNCs, while medium-sized companies can avoid such reporting.

Source: compiled by the author based on [121].

While the CbCR is a powerful tool in the fight against tax evasion and to increase financial transparency, it requires global cooperation, improved data exchange standards and a balance between transparency and protection to maximise its effect. An important component in achieving tax transparency in the EU is the EU Directive on Administrative Cooperation (DAC), which was adopted in 2011 to facilitate the exchange of information between tax authorities of EU member states [128]. Over the years, the Directive has undergone several amendments (DAC2-DAC8), adding new categories of information, including data on digital platforms (DAC7) and crypto assets (DAC8) [130]. Currently, tax authorities of EU member states automatically exchange data on personal and corporate income, such as salaries, pensions, real estate income, etc. The DAC promotes the unification of information exchange standards, which allows EU countries to detect tax evasion more effectively, increases trust between countries and contributes to a better functioning of the single market.

Despite the existence of effective tools and mechanisms, certain problems remain in the EU tax accounting system. Each member state has its own rules, which make it difficult to unify and harmonise accounting. Some countries, such as Ireland, Luxembourg and Hungary, fear a loss of competitiveness due to the introduction of common rules and are delaying the harmonisation and unification of tax accounting and reporting. There are still problems with accounting for digital companies. Companies doing business online (e.g. Google, Amazon) often avoid taxes due to legal loopholes in national systems. Not all Member States are ready for full information exchange due to technical or political constraints.

Despite the existing problems, it is worth noting that an effective tax accounting system can provide a positive socio-economic effect for the EU, including increased budget revenues, a level playing field for business, increased public confidence in tax systems, simplification of multinational companies' operations, and increased attractiveness of EU markets for investment. Efforts to improve tax accounting should include the development of a universal digital tax platform for the EU, further unification of tax rules and regulations, expansion of international cooperation, etc.

Table 3.5

Prospects for further improvement of tax accounting in the EU

Area of focus	Expected results	Challenges
Creating a single digital platform that would automate the exchange of tax data in real time between all EU member states	Reduction of administrative burden for companies and tax authorities. Quick access to accurate data for analysis and verification. Ensure better integration with new technologies such as artificial intelligence and blockchain to analyse complex transactions.	Ensuring cybersecurity and protection of confidential information.
Adaptation to new challenges	Recent initiatives, such as DAC8, include crypto assets in the tax reporting system, which will allow states to better monitor transactions in this area and reduce the risk of tax evasion. An update to the rules for digital platform operators (DAC7) has already allowed for the inclusion of income generated through platforms for renting housing, selling goods and services. Further steps include the integration of small and medium-sized digital platforms and international transactions into a single regulatory framework.	Problems with accounting for digital companies, which often avoid taxes due to legal loopholes in national systems.
Tougher sanctions for tax evasion	Introduce a single minimum level of fines for companies that do not comply with tax reporting requirements. Publishing lists of companies that systematically avoid taxation to create reputational pressure. Increase liability for financial intermediaries that facilitate aggressive tax planning.	The introduction of new sanctions may increase the number of audits and complaints, which will complicate the work of the tax authorities.

continuation of Table 3.5.

Expanding international cooperation in the field of taxation	<p>Harmonised global rules (e.g., minimum corporate tax) reduce the incentive for multinationals to shift profits to low-tax jurisdictions.</p> <p>Expanding the rules for taxing the digital economy will allow countries to collect more revenue from companies that generate revenue from the local market but do not have a physical presence.</p> <p>Harmonisation of tax rules reduces administrative barriers for businesses and helps attract investment.</p> <p>Joint efforts contribute to the growth of tax revenues, which can be used to finance social and environmental programmes.</p>	<p>For many countries, upgrading technology and training staff to implement international standards is costly.</p> <p>Large-scale information exchange systems create risks of leakage of confidential data on companies and individuals.</p>
--	--	---

Source: Own research based on [107].

Improving tax accounting in the European Union is a key tool for ensuring financial transparency and more effective fight against tax evasion, aggressive tax planning and economic crime. Through the introduction of digital platforms, automation of information exchange processes, and the expansion of international cooperation, the EU is creating conditions for transparent, fair and balanced taxation that meets the current challenges of a globalised economy. The unification of tax standards, increased control over new sectors such as crypto assets and digital commerce, together with sanctions mechanisms for unscrupulous taxpayers, increases confidence in the tax system and promotes sustainable development, providing member states with the necessary resources to finance social, economic and environmental initiatives. Despite challenges such as differences in tax systems and rapid technological change, improved tax accounting in the EU lays the foundation for a more transparent and effective fiscal policy that supports integration and stability within the Union.

Thus, the study proved that tax accounting in the European Union is an important element of the financial system, which plays an important role in ensuring transparency, accuracy of calculation and fair distribution of tax liabilities. It is proved that its main purpose is to promote openness of financial information, proper control over budget revenues, and minimisation of corruption risks and tax evasion. It is

substantiated that the harmonisation of tax standards and procedures within the EU, including such initiatives as the Common Consolidated Corporate Tax Base (CCCTB) and the new BEFIT concept, reflects the EU's desire to adapt the tax system to modern challenges, including the digitalisation of the economy.

The implementation of standards such as the CbCR allows for increased financial transparency and effective combating of aggressive tax planning. It is established that the successful implementation of these initiatives depends on the political will of the Member States and coherence of actions both at the Union level and in the global context. Despite the existing problems, such as differences in national tax systems and technical challenges, effective tax accounting can provide a significant social and economic effect, including increased budget revenues, creation of a level playing field for business and increased investment attractiveness of EU markets. In order to achieve these goals, it is important to continue to unify tax rules, introduce digital technologies, strengthen international cooperation and develop new mechanisms for adapting the tax system to the rapidly changing conditions of the global economy.

Conclusions to Chapter 3

1. It is established that harmonisation of tax systems of the European Union countries is a key condition for the formation of a single market and a single economy. It is substantiated that differences in tax systems impede convergence and economic integration in the EU, especially against the background of increased market competition. These problems can be solved by harmonising the EU tax policy with due regard for the national peculiarities of the member states. The Treaty of Rome establishing the European Union stipulates that tax harmonisation is a process of harmonisation of tax strategies within the framework of integration cooperation, including coordination of tax policy, standardisation and partial unification of tax systems within international regional associations. It is aimed at creating a harmonious

structure of tax systems and a single procedure for collecting major taxes in the EU countries and does not require their complete unification. In the course of the European Union's development, several key principles of tax harmonisation have been formulated: harmonisation of legal regulation, synchronisation in the adoption of harmonised legislation, sequencing of harmonisation stages and priority of international agreements over national laws of member states.

2. It is proved that harmonisation and convergence of the tax systems of the European Union countries are critical for ensuring their economic stability and increasing competitiveness. It is emphasised that harmonisation removes barriers to the free movement of goods, services, capital and labour, promotes fair distribution of tax revenues, reduces administrative costs for business and prevents tax competition between member states. It is substantiated that this process not only reduces opportunities for tax evasion, but also stimulates economic development by creating a single integrated market. In addition, the harmonisation of tax systems can help reduce inequality between member states, ensuring more balanced economic growth. Successful implementation of tax harmonisation initiatives will require the active participation of all member states, as well as a willingness to compromise and joint efforts to combat tax abuse.

3. It is emphasised that tax accounting in the European Union is an important element of the financial system, which plays an important role in ensuring transparency, accuracy of calculation and fair distribution of tax liabilities. It is proved that its main purpose is to promote openness of financial information, proper control over budget revenues, and minimisation of corruption risks and tax evasion. It is substantiated that the harmonisation of tax standards and procedures within the EU, including such initiatives as CCCTB and the new BEFIT concept, reflects the EU's desire to adapt the tax system to modern challenges, including the digitalisation of the economy. Implementation of standards such as CbCR allows for increased financial transparency and effective fight against aggressive tax planning. It is established that the successful implementation of these initiatives depends on the political will of the Member States and the coherence of actions both at the Union level and in the global

context. Despite the existing problems, such as differences in national tax systems and technical challenges, effective tax accounting can provide a significant social and economic effect, including increased budget revenues, creation of a level playing field for business and increased investment attractiveness of EU markets. To achieve these goals, it is important to continue unifying tax rules, introducing digital technologies, strengthening international cooperation and developing new mechanisms for adapting the tax system to the rapidly changing conditions of the global economy.

4. It is substantiated that in the current global economic context, tax systems play a key role in financing public spending. It is proved that in order to reduce the tax burden and improve tax administration, it is important to integrate digital technologies into all aspects of tax processes. Digitalisation can significantly simplify procedures for taxpayers, improve interaction with tax authorities and reduce administrative costs. At the same time, it is important to ensure inclusiveness of services for those who do not have access to digital technologies. It has been established that adapting tax systems to the new digital realities is necessary to ensure the effective fulfilment of tax obligations, as without such changes, problems with tax collection and increased administrative costs may arise. Technologies such as artificial intelligence, APIs, virtual assistants and e-platforms are currently being actively implemented by EU tax authorities to improve the accuracy of calculations, monitor tax evasion and automate tax processes. It is proved that the European Union is actively working to improve the VAT system by adapting it to digital conditions.

CONCLUSIONS

The study proposes a solution to an urgent problem, that is — substantiating theoretical and methodological foundations and solving scientific and applied problems in the development of tax systems and tax accounting in the EU. The results of study make it possible to formulate the following conclusions:

1. Literature review and synthesis of the ideas put forth in scientific research allows postulating that an effective tax system is a key component of economic stability and development of a country, as it provides budget revenues, promotes social justice, and stimulates economic growth. It is proved that the formation of such a system requires a balanced approach, taking into account national characteristics and international experience. It is emphasised that the tax system should have the ability to adapt to changes in the economy and society, as well as to respond quickly to economic crises and other unforeseen situations. Simple and clear tax procedures reduce the likelihood of errors and facilitate the tax collection process for both taxpayers and tax authorities. Adherence to taxation principles, such as universality, fairness, predictability, and convenience of payment, helps achieve tax policy objectives, including ensuring continued budget revenues, redistributing revenues, stimulating economic growth, controlling inflation, and supporting environmental initiatives.

2. It has been established that the development of tax systems and tax accounting is a complex and multifaceted process that reflects changes in the economic, social, and political conditions of the functioning of states over a long historical period. It is proved that tax systems went through numerous stages of transformation, from simple fees in ancient societies to complex mechanisms of modern taxation that take into account the needs of economic growth, social justice, and environmental sustainability. It is also emphasised that the evolution of tax systems and tax accounting is a continuous process aimed at improving state regulation mechanisms and increasing fiscal policy efficiency, which contributes to achieving sustainable development goals at both the national and global levels. It is substantiated that the evolution of tax systems and tax accounting has a significant impact on the economic development,

social stability, and competitiveness of countries on a global scale. It is proved that modern tax systems, due to their progressiveness and adaptability, contribute to achieving economic sustainability, equitable distribution of resources, and stimulation of innovation. Harmonised international accounting and taxation standards make it easier to do business globally, promoting economic integration and attracting investment.

3. It has been established that the tax systems of the European Union countries are of key importance for financing public spending, maintaining social stability and economic development. The tax systems of each member country are based on pan-European principles, but they are developed taking into account national priorities and economic conditions. Harmonisation of tax systems in the EU aims at aligning tax legislation, especially in the area of indirect taxes, which helps to avoid tax imbalances. However, full unification may face some resistance, as high-spending countries could lose part of their budget revenues.

4. It has been substantiated that the institutional foundations of taxation ensure the effective functioning of tax systems through a range of mechanisms, including the legislative framework, legal norms, as well as principles of fairness, transparency, and accountability. International agreements on the avoidance of double taxation and the exchange of information contribute to strengthening tax responsibility between countries, increasing transparency in global financial transactions. It is emphasised that the Fiscalis program plays an important role in the cooperation of the tax authorities of the member states of the European Union, and Regulation (EU) 2021/847103 is a key document that updated the previous regulation and proposed new mechanisms to improve tax administration and cooperation of tax authorities. It is argued that the tax system efficiency of the EU countries depends on the harmonisation of legislation, international cooperation, effective tax administration, and a reliable judicial system, which ensure the financial stability of states, economic growth, and social development.

5. It is argued that the tax systems of the European Union countries have both common features and significant differences due to the economic, social, and historical

characteristics of each state. They are aimed at ensuring sustainable economic development, financing public services, and supporting the social well-being of the population. Features of tax accounting and administration in the EU countries demonstrate a variety of approaches to the formation of the tax base, rates and mechanisms for their collection. There is a tendency to harmonise tax rules within the EU to ensure the transparency and competitiveness of the economies of the EU member states, as well as the tendency to establish mechanisms to avoid double taxation, provide tax incentives, and help the integration of the EU countries into the global economy. The EU tax systems, despite their complexity and differences, remain factors for balanced economic growth, support for innovation, environmental initiatives and social protection of the population, and digitalisation and automation of tax administration processes significantly increase the efficiency of tax collection and reduce the opportunities for evasion.

6. It is emphasised that the growing attention to sustainable development stimulates the EU countries to introduce the so-called "environmental taxes", which become a key tool in the fight against climate change, contribute to green economy, and reduce the negative impact on the environment. Taxes on_{CO2} emissions and other greenhouse gases help control air pollution by improving air quality. It is substantiated that the European Green Deal is an exemplary strategy for integrating tax policy with environmental goals. This plan involves introducing new tax instruments to support the SDGs, such as emission taxes, as well as the gradual phasing out of fossil fuel subsidies. An important component of the ESC is CBAM, which ensures a fair price for carbon emitted during the production of goods imported into the EU, stimulating cleaner industrial production in non-EU countries.

7. The assessment of different types of taxes in the EU has proved the efficiency of the tax systems of the Member States in ensuring stable budget revenues and supporting the economic development of the Union. Indirect taxes, such as VAT, customs duties, and excise taxes, have been found to constitute a significant part of the revenues of the EU's common budget, ensuring a constant flow of revenues regardless of economic fluctuations. It is emphasised that direct taxes, in particular on personal

income, contribute to the realisation of the principle of social justice through the tools of progressive taxation, and transparent and understandable administration. Social contributions paid by employers, employees, and self-employed persons play an important role in the functioning of the social protection system, the maintenance of social stability, and the implementation of social inclusion goals in the EU countries. Property taxes, including property and other asset taxes, provide additional revenue to help fund local, infrastructure, and digital development projects. It has been established that the tax structure in the EU is balanced and effective, ensuring stable budget revenues, social justice in administration and distribution, and support for economic growth in the member states. This demonstrates the ability of the EU tax systems to adapt to modern challenges and contribute to sustainable development.

8. It has been emphasised that the harmonisation of tax systems in the European Union countries is a key condition for the formation of a single market and a unified economy. It is substantiated that differences in tax systems hinder convergence and economic integration in the EU, especially against the background of increased market competition. It is emphasised that solving these problems is possible by harmonising the EU tax policy, taking into account the national characteristics of the member states. Under the Treaty of Rome establishing the European Union, tax harmonisation involves aligning the country's tax strategies within the framework of integration cooperation, which includes coordination of tax policy, standardisation, and partial unification of tax systems within international regional associations. It is aimed at creating a harmonious structure of tax systems and a single procedure for the collection of basic taxes in the EU countries and does not require their complete unification. In the process of development of the European Union, several key principles of tax harmonisation were formulated: harmonisation of legal regulation, synchronisation in the adoption of harmonised legislative acts, the sequence of stages of harmonisation and the priority of international agreements over the national laws of the member states.

9. It is argued that tax accounting in the European Union is an important element of the financial system that plays an important role in ensuring transparency, accuracy of calculation, and fair distribution of tax liabilities. It is proved that its main goal is to

promote transparency of financial information and proper control over budget revenues, and to minimise corruption risks and tax evasion. It is substantiated that the harmonisation of tax standards and procedures within the EU, including initiatives such as the CCCTB and the new BEFIT concept, reflects the EU's desire to adapt the tax system to modern challenges, including the digitalisation of the economy. The implementation of standards such as CbCR allows for increased financial transparency and an efficient fight against aggressive tax planning. It has been established that the successful implementation of these initiatives depends on the political will of the Member States and the coherence of actions both at the Union level and in the global context. Despite the existing problems, in particular the differences of national tax systems and technical challenges, effective tax accounting can provide a significant socio-economic effect, including an increase in budget revenues, creating a level playing field for business, and strengthening the investment attractiveness of EU markets. To achieve these goals, it is important to continue the unification of tax rules, the introduction of digital technologies, the strengthening of international cooperation, and the development of new mechanisms for adapting the tax system to the rapidly changing conditions of the global economy.

10. It is substantiated that in the current global economic context tax systems play a key role in financing public expenditures. It is emphasised that in order to reduce the tax burden and improve tax administration, it is important to integrate digital technologies into all aspects of tax processes. Digitalisation can significantly simplify procedures for taxpayers, improve interaction with tax authorities and reduce administrative costs. At the same time, it is important to ensure that services are inclusive for those who do not have access to digital technologies. It has been established that the adaptation of tax systems to new digital realities is necessary to ensure the effective fulfillment of tax obligations, as without such changes, issues with tax collection and increased administrative costs may arise. Technologies such as artificial intelligence, APIs, virtual assistants and electronic platforms are currently being actively implemented by the EU tax authorities to improve accuracy of calculations, monitor tax evasion, and automate tax processes.

REFERENCES

1. Аналітика та прогнозування соціально-економічних процесів і податкових надходжень : монографія / Паянок Т. М., Лаговський В. В., Краєвський В. М. та ін. К.: ЦП «Компринт», 2019. 426 с
2. Балюк Н. В. Міжнародно-правові та інституційні основи співробітництва ЄС та ЛАКБ. *Вісник Маріупольського державного університету*. Серія : Історія. Політологія. 2014. Вип. 11. С. 80-88. URL.: http://nbuv.gov.ua/UJRN/Vmdu_ip_2014_11_11
3. Барткова К. М., Андронік О. Л. Податкова система як інструмент на шляху до стабільності економіки. *Економіка і організація управління*. 2018. Вип. 4. С. 47-55. URL.: http://nbuv.gov.ua/UJRN/eiou_2018_4_7
4. Блауг М. Економічна теорія в ретроспективі / пер. з англ. І. Дзюб. К. : Основи, 2001. 670 с. URL.: <https://krytyka.com/ua/reviews/ekonomichna-teoriya-v-retrospektyvi>
5. Бодров В. Г. Податкове регулювання в умовах формування цифрової економіки в Україні. *Економічний вісник*. Серія : Фінанси, облік, оподаткування. 2018. Вип. 2. С. 30-37. URL.: http://nbuv.gov.ua/UJRN/ehsfat_2018_2_7
6. Бондаренко О. М., Клокова Г. О. Податковий облік та звітність у системі адміністрування податків. *Економіка. Фінанси. Право*. 2022. № 12(1). С. 18-20.
7. Брік С. В. Перерахунок ПДВ за 2019 рік: податковий аудит та бухгалтерський облік. *Інфраструктура ринку*. 2020. Вип. 39. С. 371-374. URL.: http://nbuv.gov.ua/UJRN/ifrctr_2020_39_63
8. Вебер М. Господарство і суспільство як загальні поняття. URL.: <http://litopys.org.ua/weber/wbs03.htm>
9. Гаркушенко О. М., Кувалдіна О. О. Проблеми і майбутнє податку на прибуток підприємств та ПДВ в умовах цифровізації. *Економіка промисловості*. 2021. № 3. С. 52-69. URL.: http://nbuv.gov.ua/UJRN/econpr_2021_3_5

10. Глєбова Н. В. Електронний цифровий підпис: обліковий та податковий аспекти. *Науковий вісник Ужгородського національного університету. Серія : Міжнародні економічні відносини та світове господарство.* 2018. Вип. 18(1). С. 94-97. URL.: [http://nbuv.gov.ua/UJRN/Nvuumevcg_2018_18\(1\)__21](http://nbuv.gov.ua/UJRN/Nvuumevcg_2018_18(1)__21)
11. Гонта О. І. Жаворонок А. В. Податкова система України: сучасний стан та напрями вдосконалення. *Вісник Черкаського університету. Серія : Економічні науки.* 2017. Вип. 4(1). С. 3-9. URL.: [http://nbuv.gov.ua/UJRN/VchuE_2017_4\(1\)__3](http://nbuv.gov.ua/UJRN/VchuE_2017_4(1)__3)
12. Григор'єв О. Ю., Петришин Н. Я., Тодошук А. В. Методичні рекомендації з цифрового рейтингування податкових показників підприємств. *Економіка. Фінанси. Право.* 2021. № 11. С. 5-13. URL.: http://nbuv.gov.ua/UJRN/ecfipr_2021_11_3
13. Даньків Й.Я. Історичний розвиток основних форм бухгалтерського обліку / Й.Я. Даньків, М.Я Остап'юк. *Ekonomiczne Relacje w Unii Europejskiej. Wybrane Zagadnienia.* Зелена Гура, 2009. С. 319-327.
14. Даньків Й.Я., Остап'юк М.Я. Еволюція бухгалтерського обліку. *Ekonomiczne Relacje w Unii Europejskiej. Wybrane Zagadnienia.* Зелена Гура, 2009. С. 303-309.
15. Даньків Й.Я., Остап'юк М.Я. Історичні нариси обліково-правової культури: Європа і Україна(від зародження до наших днів): монографія. Ужгород: Вид-во УжНУ. «Говерла», 2015. 160 с.
16. Данілов О. В. Податкова політика України: сучасний стан та перспективи розвитку. *Фінанси України.* 2020. № 7. С. 15–27.
17. Дорошенко С. І. Вплив податкового навантаження на економічне зростання держави. *Економічний часопис.* 2019. № 3. С. 45–53.
18. Дмитренко Л. М. Податкові реформи в країнах ЄС та їх вплив на фіскальну політику України. *Журнал європейської економіки.* 2021. Т. 20, № 2. С. 101–110.

19. Дяченко В. П. Податкова система України: проблеми та шляхи вдосконалення. *Економіка та держава*. 2018. № 5. С. 34–39.
20. Дуброва Т. О. Податкове регулювання підприємницької діяльності в Україні. *Фінансовий простір*. 2022. № 4. С. 22–29.
21. Данилюк М. С. Податкова культура як фактор забезпечення ефективності податкової системи. *Вісник податкової служби України*. 2017. № 9. С. 18–24.
22. Демченко І. В. Податковий контроль в Україні: сучасний стан та перспективи розвитку. *Фінанси, облік і аудит*. 2023. № 1. С. 55–63.
23. Довженко А. Ю. Податкова політика в умовах глобалізації: виклики та можливості. *Світ фінансів*. 2019. № 6. С. 12–20.
24. Деркач О. Г. Податкове стимулювання інноваційної діяльності підприємств. *Економічний вісник*. 2020. № 8. С. 40–47.
25. Данилова Н. В. Податкова система України: проблеми та перспективи розвитку. *Фінанси України*. 2018. № 11. С. 30–38.
26. Дідківська Г. В., Чухрай В. В. Первинний фінансовий моніторинг при розслідуванні злочинів у кредитно-фінансовій сфері органами, що здійснюють контроль за додержанням податкового законодавства. *Журнал східноєвропейського права*. 2019. № 69. С. 100-104. URL.: http://nbuv.gov.ua/UJRN/jousepr_2019_69_16
27. Договір про заснування Європейської Спільноти (Договір про заснування Європейського економічного співтовариства). URL.: https://zakon.rada.gov.ua/laws/show/994_017#Text
28. Дуліба Є. В. Особливості реалізації податкової функції в діяльності органів, що здійснюють контроль за податковим законодавством. *Вчені записки Таврійського національного університету імені В. І. Вернадського*. Серія : Юридичні науки. 2018. Т. 29(68), № 1. С. 53-57. URL.: [http://nbuv.gov.ua/UJRN/UZTNU_law_2018_29\(68\)_1_12](http://nbuv.gov.ua/UJRN/UZTNU_law_2018_29(68)_1_12)

29. Екологічні податки у державних фінансах країн Європи. URL.: <https://ecolog-ua.com/news/ekologichni-podatky-u-derzhavnyh-finansah-krayin-yevropy?form=MG0AV3> (дата звернення: 23.10.2024)
30. Європейська Комісія опублікувала проект текста директиви DAC 8. URL.: <https://i-c-g.com.ua/yevropejska-komisiya-opublikovala-tekst-direktivi-dac-8/?lang=uk> (дата звернення: 18.03.2024)
31. Жукова Л. М. Інституційні основи координації соціально-економічного розвитку держави. *Вісник Одеського національного університету*. Серія : Економіка. 2016. Т. 21, Вип. 5. С. 8-11. URL.: http://nbuv.gov.ua/UJRN/Vonu_econ_2016_21_5_3
32. Жулин О. В., Хаврюта Є. Л. Податкова система: європейський і національний досвід. *Вісник Національного транспортного університету*. 2011. № 24(1). С. 302-305. URL.: [http://nbuv.gov.ua/UJRN/Vntu_2011_24\(1\)_73](http://nbuv.gov.ua/UJRN/Vntu_2011_24(1)_73)
33. Звонар В. П. Міжсекторне партнерство як механізм реалізації регіональної соціальної політики: концепція для України: монографія. Луцьк: Волин. нац. ун-т ім. Лесі Українки, 2009. 300 с.
34. Іванова Г. С. Інституційні основи адміністративно-правового регулювання у сфері агропромислового комплексу. *Науковий вісник Ужгородського національного університету*. Серія : Право. 2018. Вип. 49(2). С. 36-39. URL.: [http://nbuv.gov.ua/UJRN/nvuzhpr_2018_49\(2\)_10](http://nbuv.gov.ua/UJRN/nvuzhpr_2018_49(2)_10)
35. Іщенко В. Адміністративна відповідальність за правопорушення проти контрольних функцій податкових органів: розвиток законодавчого регулювання та проблемні питання. *Вісник Академії адвокатури України*. 2017. Т. 14, № 2. С. 149-152. URL.: http://nbuv.gov.ua/UJRN/vaau_2017_14_2_23
36. Кармінська-Белоброва М. В. Податкова система держави: визначення критеріїв оптимальності. *Теорія та практика державного управління*. 2010. Вип. 4. С. 321-327. URL.: http://nbuv.gov.ua/UJRN/Trpdu_2010_4_49

37. Кириленко О., Петрушка О. Інституційні основи державного пенсійного страхування в Україні. *Журнал європейської економіки*. 2013. Т. 12, № 1. С. 79-95. URL.: http://nbuv.gov.ua/UJRN/jee_2013_12_1_6
38. Кобильнік Д.А., Казарін Б. Р., Караванський О. В. Податкова система України: генеза та сучасний стан. *Економіка. Фінанси. Право*. 2022. № 12(1). С. 9-13.
39. Коваленко О. М., Кравченко Т. І. Податкова система України: стан та перспективи розвитку. *Економіка і менеджмент культури*. 2013. № 1. С. 39-42. URL.: http://nbuv.gov.ua/UJRN/ekmk_2013_1_8
40. Коваль Д. А. Податкова політика та податкова система: сучасний стан та напрями розвитку. *Держава та регіони*. Серія : Право. 2014. № 4. С. 73-76. URL.: http://nbuv.gov.ua/UJRN/drp_2014_4_16
41. Колеснік Л. І. Інституційні основи податкового процесу. *Науковий вісник Херсонського державного університету*. Серія : Юридичні науки. 2015. Вип. 5(2). С. 131-134. URL.: [http://nbuv.gov.ua/UJRN/Nvkhdu_jur_2015_5\(2\)__36](http://nbuv.gov.ua/UJRN/Nvkhdu_jur_2015_5(2)__36)
42. Корецький О. М. Податкова політика в системі державного регулювання економіки. *Науковий вісник Академії муніципального управління*. Серія : Управління. 2012. Вип. 4. С. 206-211. URL.: http://nbuv.gov.ua/UJRN/Nvamu_upravl_2012_4_28
43. Корзаченко О. Ю., Корзаченко О. В. Еволюція наукових поглядів на екологічне оподаткування. *Вісник Одеського національного університету*. Серія : Економіка. 2015. Т. 20, Вип. 6. С. 219-223. URL.: http://nbuv.gov.ua/UJRN/Vonu_econ_2015_20_6_49
44. Костишин Н., Яковець Т. Обліково-податкова система в умовах воєнного стану: як діяти та, які наслідки. *Вісник економіки*. 2022. Вип. 2. С. 99-110. URL.: http://nbuv.gov.ua/UJRN/Vtneu_2022_2_10
45. Костюк Т. В. Шляхи вдосконалення адміністративного законодавства, нормами якого визначають правові засади реалізації адміністративних процедур у діяльності податкових органів.

Прикарпатський юридичний вісник. 2018. Вип. 2(4). С. 141-144. URL.: [http://nbuv.gov.ua/UJRN/Pjuv_2018_2\(4\)__32](http://nbuv.gov.ua/UJRN/Pjuv_2018_2(4)__32)

46. Кошук Т. В. Угоди між податковими органами та платниками податків у контексті законодавства ЄС про державну допомогу. *Фінанси України*. 2021. № 1. С. 64-82. URL.: http://nbuv.gov.ua/UJRN/Fu_2021_1_5

47. Краєвський В. М., Костенко О. М., Скорик М. О. Податковий аудит: зміст і дуальна функція обліку як об'єкта та засоба. *Підприємництво та інновації*. 2022. Вип. 24. С. 123-128. URL.: http://nbuv.gov.ua/UJRN/pidinno_2022_24_23

48. Крисоватий А.І. Оподаткування і ринок: умови та можливості поєднання. Тернопіль: Видавництво Карп'юка, 2000. С. 15. URL.: <http://dspace.tneu.edu.ua/handle/316497/24522>

49. Крисоватий, А. І., Томнюк Т.Л. Адміністрування податків в Україні: організація та напрями трансформації : монографія. Тернопіль : Економічна думка ТНЕУ, 2012. С. 66

50. Кухта К. О., Джура В. В. Історичний генезис адміністрування земельного податку в Україні: сучасні аспекти та еволюція розвитку земельного оподаткування. *Інвестиції: практика та досвід*. 2019. № 2. С. 42-47. URL.: http://nbuv.gov.ua/UJRN/ipd_2019_2_9

51. Кучерова Г. Ю. Податкова поведінка: систематизація наукових поглядів *Часопис економічних реформ*. 2016. № 1. С. 65-71. URL.: http://nbuv.gov.ua/UJRN/Cher_2016_1_12

52. Лесько Н. Зміст компетенції податкових органів та проблеми її закріплення у законодавстві. *Вісник Національного університету «Львівська політехніка»*. Серія : Юридичні науки. 2022. Т. 9, № 2. С. 57-63. URL.: http://nbuv.gov.ua/UJRN/vnulpurn_2022_9_2_11

53. Магопець О. А., Шалімов В. В. Еволюція пільгового оподаткування інноваційної діяльності в Україні. *Центральноукраїнський науковий вісник. Економічні науки*. 2019. Вип. 3. С. 161-172. URL.: http://nbuv.gov.ua/UJRN/Npkntu_e_2019_3_18

54. Мединська Т. В., Ногінова Н. М. Цифровізація органів податкового адміністрування в контексті сучасних викликів і загроз. *Наукові записки Національного університету "Острозька академія"*. Серія : Економіка. 2022. № 24. С. 90-96. URL.: http://nbuv.gov.ua/UJRN/Nznuoa_2022_24_15
55. Мельник В. М., Борзенкова О. Д. Еволюція поглядів на дохід і прибуток підприємства як потенційні об'єкти оподаткування. *Фінанси України*. 2011. № 10. С. 32-43. URL.: http://nbuv.gov.ua/UJRN/Fu_2011_10_4
56. Міністерство фінансів Естонії. URL.: <https://www.fin.ee/en> (дата звернення: 05.06.2023)
57. Нікітішин А. О. Еволюція оподаткування в напрямі соціального змісту. *Наукові записки Національного університету "Острозька академія"*. Серія : Економіка. 2017. № 6. С. 62-66. URL.: http://nbuv.gov.ua/UJRN/Nznuoa_2017_6_13
58. Олійник О. В., Філон І. В. Податкова система : навчальний посібник. К. : Центр навчальної літератури, 2006. 456 с.
59. Оніщик Ю. В., Жук Л. Б. Правове регулювання оподаткування доходу від прийняття спадщини: генезис, еволюція, сучасний стан. *Право і суспільство*. 2018. № 4. С. 219-224. URL.: http://nbuv.gov.ua/UJRN/Pis_2018_4_41
60. Осіпчук Д. С. Податковий облік державних грантів. *Економіка. Фінанси. Право*. 2022. № 11(2). С. 23-27.
61. Пабат О. В. Податкова система України як об'єкт правового регулювання. *Право і Безпека*. 2014. № 3. С. 71-75. URL.: http://nbuv.gov.ua/UJRN/Pib_2014_3_15
62. Пасічник Ю. В. Податкова система України: проблеми та перспективи розвитку. *Економіка. Фінанси. Право*. 2018. № 1(2). С. 27-30. URL.: [http://nbuv.gov.ua/UJRN/ecfipr_2018_1\(2\)_8](http://nbuv.gov.ua/UJRN/ecfipr_2018_1(2)_8)
63. Пирого С. С. Податкова система заснована на принципі джерела. *Науковий вісник Ужгородського національного університету*. Серія : Право. 2023. Вип. 80(1). С. 530-536. URL.: [http://nbuv.gov.ua/UJRN/nvuzhpr_2023_80\(1\)_83](http://nbuv.gov.ua/UJRN/nvuzhpr_2023_80(1)_83)

64. Податкове право країн ЄС: М. Г. Волощук, О. О. Петріченко, О. В. Білаш, Т. О. Карабін, М. В. Менджул. Ужгород : Видавництво Олександри Гаркуші, 2021. 144 с. URL.: <http://surl.li/uoilnu>
65. Податкове право країн ЄС: М. Г. Волощук, О. О. Петріченко, О. В. Білаш, Т. О. Карабін, М. В. Менджул. Ужгород : Видавництво Олександри Гаркуші, 2021. 144 с. URL.: <http://surl.li/uoilnu>
66. Потапенко А. С., Царюк С. В. Теоретичне пізнання кваліфікації злочинів, підслідних органам, що здійснюють контроль за додержанням податкового законодавства. *Прикарпатський юридичний вісник*. 2020. Вип. 1. С. 199-204. URL.: http://nbuv.gov.ua/UJRN/Pjuv_2020_1_43
67. Проблеми розвитку податкової політики та оподаткування : монографія / за заг. ред. проф. Ю. Б. Іванова. Х. : ВД «ІНЖЕК», 2007. 448 с.
68. Пухальський В. В. Податковий контроль в умовах цифрової економіки. *Ефективна економіка*. 2022. № 11. URL.: http://nbuv.gov.ua/UJRN/efek_2022_11_25
69. Ревенко О. В. Податкова система як засіб реалізації податкової політики держави в сучасних умовах. *Вісник Національного університету цивільного захисту України. Серія : Державне управління*. 2014. Вип. 2. С. 71-80. URL.: http://nbuv.gov.ua/UJRN/VNUCZUDU_2014_2_13
70. Рікардо Д. Основи політичної економії та оподаткування. Т. 1. 360 с. URL.: <https://library.wunu.edu.ua/files/EVD/HTML/ricardo.html>
71. Рябчук О. Г. Еволюція регулювання доходів населення шляхом їх оподаткування. *Економіка та держава*. 2012. № 6. С. 44-47. URL.: http://nbuv.gov.ua/UJRN/ecde_2012_6_14
72. Рядінська В. О. Еволюція принципу загальності оподаткування та його реалізація під час оподаткування доходів фізичних осіб на сучасному етапі в Україні. *Право і суспільство*. 2014. № 6.1(2). С. 250-255. URL.: http://nbuv.gov.ua/UJRN/Pis_2014_6

73. Сазонець І. Л., Саленко А. С. Інституційні основи державної підтримки лібералізації підприємницької діяльності. *Економіка та держава*. 2019. № 1. С. 23-26. URL.: http://nbuv.gov.ua/UJRN/ecde_2019_1_6
74. Синютка Н. Г. Цифрова ідентифікація платників податків як передумова для діджиталізації фіскального простору. *Бізнес Інформ*. 2018. № 10. С. 363-368. URL.: http://nbuv.gov.ua/UJRN/binf_2018_10_56
75. Слюсаренко В. Є. Податкова система та податкове навантаження як фактор тінізації економіки. *Науковий вісник Ужгородського університету. Серія : Економіка*. 2014. Вип. 2. С. 152-157. URL.: http://nbuv.gov.ua/UJRN/Nvuues_2014_2_32
76. Сміт А. Добробут націй. Дослідження про природу та причини добробуту націй. К. : Port-Royal, 2001. С. 425-586.
77. Сміт А. Дослідження природи і причин багатства народів. 684 с. URL.: https://www.gumer.info/bibliotek_Buks/Econom/smit/smit_1.pdf
78. Соколовська А. М. Податкова політика в Україні у 2014–2019 рр.: формування, реалізація, оцінка наслідків. *Фінанси України*. 2020. № 7. С. 7–30. URL.: <https://doi.org/10.33763/finukr2020.07.007>
79. Соколовська А.М. Податкова система держави: теорія і практика становлення. Київ: Знання-Прес, 2004. С. 42.
80. Стігліц Дж. Видатні економісти. URL.: <https://economics.at.ua/publ/3-1-0-27>
81. Стовбун Т. О. Податкова система як фактор стимулювання інноваційної діяльності в Україні. *Збірник наукових праць Харківського національного педагогічного університету імені Г. С. Сковороди. "Економіка"*. 2013. Вип. 13. С. 114-120. URL.: http://nbuv.gov.ua/UJRN/znpkhnpu_eko_2013_13_15
82. Сушкова О. Мельник Л. Систематизація наукових підходів до визначення сутності та змісту поняття "податкова культура". *Проблеми і перспективи економіки та управління*. 2021. № 1. С. 143-150. URL.: http://nbuv.gov.ua/UJRN/ppeu_2021_1_17

83. Товкун Л. Податкова система України: поняття та перспективи розвитку. *Історико-правовий часопис*. 2015. № 1. С. 66-69. URL.: http://nbuv.gov.ua/UJRN/ipch_2015_1_16
84. Томнюк Т. Л. Податкова система: навчальний посібник. Чернівці: ЧТЕІ ДТЕУ, 2022. 324 с. URL.: http://chtei-knteu.cv.ua/ua/content/download/nayka/monography/tomnjuk_2022.pdf
85. Трифонова О. К. Еволюція теорії оподаткування в Україні та зарубіжних країнах. *Управління розвитком*. 2014. № 11. С. 25-27. URL.: http://nbuv.gov.ua/UJRN/Uproz_2014_11_12
86. Фрадинський О., Машко А. Еволюція надзвичайного оподаткування: від давньогрецької ейсфори до вітчизняного військового збору. *Світ фінансів*. 2016. Вип. 3. С. 51-61. URL.: http://nbuv.gov.ua/UJRN/svitfin_2016_3_7
87. Химинець В. В. Інституційні основи сталого розвитку Карпатського регіону в контексті синьої економіки. *Сталий розвиток економіки*. 2013. № 3. С. 161-165. URL.: http://nbuv.gov.ua/UJRN/sre_2013_3_36
88. Хомин П. Я., Співак С. М., Королюк Т. М. Податкова політика на тлі облікової проблематики. *Галицький економічний вісник*. 2023. № 3. С. 47-51. URL.: http://nbuv.gov.ua/UJRN/gev_2023_3_8
89. Цифровізація ПДВ. URL.: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52022PC0701> (дата звернення: 18.11.2024)
90. Чала О. А. Сучасна податкова система: інноваційні процеси. *Держава та регіони. Сер. : Економіка та підприємництво*. 2013. № 6. С. 133-136. URL.: http://nbuv.gov.ua/UJRN/drep_2013_6_28
91. Шаповалова О. В. Цифрова платформа електронного адміністрування податку на додану вартість. *Право та інноваційне суспільство*. 2018. № 2. С. 23-30. URL.: http://nbuv.gov.ua/UJRN/pric_2018_2_6
92. Швабій К. І. Теоретичні підходи до формування та реалізації податкової політики держави. *Фінанси України*. 2015. № 10. С. 93–103.
93. Щава Р. П. Інституційні основи регулювання фіскальної політики в трансформаційних умовах. *Економічний вісник Запорізької державної*

інженерної академії. 2017. Вип. 1(1). С. 20-23. URL.: [http://nbuv.gov.ua/UJRN/evzdia_2017_1\(1\)__6](http://nbuv.gov.ua/UJRN/evzdia_2017_1(1)__6)

94. Що таке Європейський зелений курс? URL.: <https://ecoaction.org.ua/eu-green-deal.html?form=MG0AV3> (дата звернення: 28.10.2023)

95. Юга І. П. Податкова система України в умовах трансформаційного періоду національної економіки. Формування ринкових відносин в Україні. 2013. № 4. С. 59-62. URL.: http://nbuv.gov.ua/UJRN/frvu_2013_4_16

96. Юрій С. М. Податкова система України: становлення та розвиток. *Економічний форум*. 2014. № 3. С. 286-292. URL.: http://nbuv.gov.ua/UJRN/ecfor_2014_3_46

97. Ярема Я. Р. Податковий облік: основні засади організації. *Бізнес-навігатор*. 2023. Вип. 2. С. 149-152. URL.: http://nbuv.gov.ua/UJRN/bnav_2023_2_25

98. Ярема Я. Р., Гринда А. М. Податкова політика в Україні: сучасний стан та перспективи розвитку. *Молодий вчений*. 2019. № 4(2). С. 547-550. URL.: [http://nbuv.gov.ua/UJRN/molv_2019_4\(2\)__79](http://nbuv.gov.ua/UJRN/molv_2019_4(2)__79)

99. 2024 finance bill becomes law. Deloitte Société d'Avocats. URL.: <https://blog.lawyers.deloitte.fr/2024-finance-bill-becomes-law/?form=MG0AV3> (data zvernennia: 28.10.2023)

100. Annex C (2022) 9289 to the Commission Implementing Decision amending Implementing Decision C (2021) 4781 as regards the work programme for 2021, 2022 and 2023 for the Fiscalis programme. URL.: https://taxation-customs.ec.europa.eu/document/download/57945dd6-4e9d-44f0-bede-ccffc189eeae_en?filename=C_2022_9289_F1_ANNEX_EN_V3_P1_2361829%20%281%29_0.PDF (data zvernennia: 21.11.2023)

101. Annex C (2024) 21 to the Commission Implementing Decision on the financing of the Fiscalis programme and the adoption of the work programme for 2024 and 2025. URL.: [https://taxation-](https://taxation-customs.ec.europa.eu/document/download/129e9524-b73a-4245-b118-)

a71b253d3acc_en?filename=C_2024_21_F1_ANNEX_EN_V3_P1_3145770.PDF

(date of request: 28.10.2023)

102. Arnold J. Do Tax Structures Affect Aggregate Economic Growth?: Empirical Evidence from a Panel of OECD Countries. *OECD Economics Department Working Papers*. 2008. 643. OECD Publishing, Paris. URL.: <https://doi.org/10.1787/236001777843>.

103. Base erosion and profit shifting (BEPS). URL.: <https://www.oecd.org/en/topics/policy-issues/base-erosion-and-profit-shifting-beps.html> (date of request: 03.10.2024)

104. BEFIT – Business in Europe: framework for income taxation. European Parliamentary Research Service. URL.: https://www.europarl.europa.eu/RegData/etudes/BRIE/2023/754631/EPRS_BRI%282023%29754631_EN.pdf?form=MG0AV3 (date of request: 12.05.2023)

105. Business Location Austria: Tax Aspects. URL.: https://www.advantageaustria.org/ua/zentral/business-guide/investieren-in-oesterreich/standort-oesterreich/steuern/ABA_Deloitte_Tax_Aspects_Austria_2018_EN.pdf (date of request: 28.10.2023)

106. Carbon Border Adjustment Mechanism. URL.: <https://glassdome.com/solutions/product-carbon-footprint/> (date of request: 21.11.2024)

107. Commission staff working document impact assessment report Accompanying the documents Proposal for a Council Directive on Business in Europe: Framework for Income Taxation (BEFIT) and Proposal for a Council Directive on Transfer Pricing. URL.: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52023SC0308&%3Bqid=1700565612918> (date of request: 28.10.2023)

108. Common consolidated corporate tax base (CCCTB). URL.: <https://oeil.secure.europarl.europa.eu/oeil/en/procedure-file?reference=2016/0336> (CNS) (date of request: 28.10.2023)

109. Consolidated text: Regulation (EU) No 691/2011 of the European Parliament and of the Council of 6 July 2011 on European environmental economic accounts (Text with EEA relevance). URL.: <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A02011R0691-20140616> (date of request: 05.06.2023)

110. Council Directive (EU) 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market. URL.: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2016.193.01.0001.01.ENG&toc=OJ:L:2016:193:TOC (date of request: 05.06.2023)

111. Council Directive (EU) 2020/1151 of 29 July 2020 amending Directive 92/83/EEC on the harmonisation of the structures of excise duties on alcohol and alcoholic beverages. URL.: <https://eur-lex.europa.eu/eli/dir/2020/1151/oj> (date of request: 28.10.2023)

112. Council Directive (EU) 2020/262 of 19 December 2019 laying down the general arrangements for excise duty (recast). URL.: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32020L0262> (date of request: 03.04.2024)

113. Council Directive (EU) 2022/542 of 5 April 2022 amending Directives 2006/112/EC and (EU) 2020/285 as regards rates of value added tax. URL.: <https://eur-lex.europa.eu/eli/dir/2022/542/oj> (date of request: 20.07.2023)

114. Council Directive (EU) 2022/2523 of 14 December 2022 on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union. <https://eur-lex.europa.eu/eli/dir/2022/2523/oj> (date of request: 18.01.2024)

115. Council Directive 2003/96/EC of 27 October 2003 restructuring the Community framework for the taxation of energy products and electricity (Text with EEA relevance). URL.: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32003L0096> (date of request: 28.02.2024)

116. Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax. URL.: <https://eur-lex.europa.eu/eli/dir/2006/112/oj> (date of request: 08.12.2024)

117. Council Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation and repealing Directive 77/799/EEC. URL.: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32011L0016> (date of request: 01.11.2024)

118. Council Directive 2011/64/EU of 21 June 2011 on the structure and rates of excise duty applied to manufactured tobacco (codification). URL.: <https://eur-lex.europa.eu/eli/dir/2011/64/oj> (date of request: 22.11.2024)

119. Council Regulation (EC) No 37/2009 of 16 December 2008 amending Regulation (EC) No 1798/2003 on administrative cooperation in the field of value added tax, in order to combat tax evasion connected with intra-Community transactions URL.: <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex:32009R0037> (date of request: 28.11.2024)

120. Country by country reporting. URL.: https://taxation-customs.ec.europa.eu/country-country-reporting_en (date of request: 22.10.2023)

121. Country-specific information on Country-by-Country reporting implementation. OECD . URL.: <https://web-archive.oecd.org/temp/2022-09-12/422190-country-specific-information-on-country-by-country-reporting-implementation.htm#cbcrequirements> (date of request: 28.10.2023)

122. Data on Taxation Trends. URL.: https://taxation-customs.ec.europa.eu/taxation/economic-analysis/data-taxation-trends_en (date of request: 05.06.2023)

123. DB NOMICS the world`s economic database. URL.: https://db.nomics.world/Eurostat/gov_10a_taxag?tab=list (date of request: 18.02.2024)

124. Decision No 1482/2007/EC establishing a Community programme to improve the operation of taxation systems in the internal market. URL.: <https://eur->

lex.europa.eu/legal-content/EN/ALL/?uri=OJ%3AL%3A2007%3A330%3ATOC
(date of request: 18.11.2023)

125. Decision No 2235/2002/EC adopting a Community programme to improve the operation of taxation systems in the internal market. URL.: <https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX%3A32002D2235> (date of request: 11.01.2023)

126. Digital taxation. URL.: <https://www.consilium.europa.eu/en/policies/digital-taxation/> (date of request: 28.11.2023)

127. Direct taxation: Personal and company taxation. URL.: <https://www.europarl.europa.eu/factsheets/en/sheet/80/direct-taxation-personal-and-company-taxation> (date of request: 28.10.2023)

128. Directive 2011/16/EU on administrative cooperation in the field of taxation. URL.: <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=LEGISSUM:fi0006> (date of request: 05.06.2023)

129. Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC Text with EEA relevance. URL.: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32013L0034%0A> (date of request: 28.05.2024)

130. Directive on Administrative Cooperation (reporting rules for digital platforms). URL.: https://taxation-customs.ec.europa.eu/taxation/tax-transparency-cooperation/administrative-co-operation-and-mutual-assistance/dac7_en (date of request: 01.10.2023)

131. Entrepreneurship and small and medium-sized enterprises (SMEs). URL.: https://single-market-economy.ec.europa.eu/smes_en (date of request: 28.10.2023)

132. Environmental tax revenues. URL.: https://doi.org/10.2908/ENV_AC_TAX (date of request: 18.10.2022)

133. Environmental tax statistics. URL: https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Environmental_tax_statistics#Environmental_taxes_in_the_EU (date of request: 28.10.2023)

134. EU Corporate Sustainability Reporting Requirements Strategic and operational implications of CSRD and ESRS. URL.: <https://www.deloitte.com/content/dam/assets-zone2/uk/en/docs/services/legal/2024/deloitte-uk-csrd-esrs-ra-perspective-new.pdf> (date of request: 05.06.2023)

135. European Parliament legislative resolution of 17 January 2023 on the proposal for a Council directive laying down rules to prevent the misuse of shell entities for tax purposes and amending Directive 2011/16/EU (COM(2021)0565 – C9-0041/2022 – 2021/0434(CNS)). URL.: https://www.europarl.europa.eu/doceo/document/TA-9-2023-0004_EN.html (date of request: 11.10.2024)

136. Eurostat. URL.: [Eurostat/gov_10a_taxag/A.MIO_EUR.S13.D214I.FR](https://ec.europa.eu/eurostat/gov_10a_taxag/A.MIO_EUR.S13.D214I.FR) (date of request: 02.11.2024)

137. Exploring the integration of tax in EU sustainability regulations. URL.: <https://www.deloitte.com/uk/en/Industries/financial-services/blogs/exploring-the-integration-of-tax-in-eu-sustainability-regulations.html> (date of request: 22.10.2024)

138. Fiscalis programme. URL.: https://taxation-customs.ec.europa.eu/eu-funding-customs-and-tax/fiscalis-programme_en (date of request: 28.10.2023)

139. General tax policy. URL.: <https://www.europarl.europa.eu/factsheets/en/sheet/92/general-tax-policy> (date of request: 08.10.2024)

140. Glossary:European system of national and regional accounts (ESA 2010). URL.: [https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Glossary:European_system_of_national_and_regional_accounts_\(ESA_2010\)](https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Glossary:European_system_of_national_and_regional_accounts_(ESA_2010)) (date of request: 28.10.2024)

141. Hodgson G. Economics and Institutions. URL.: <https://webveblen.wordpress.com/wp-content/uploads/2018/06/hodgson.pdf>

142. Hoopes J.L., Robinson L., Slemrod J. Corporate Tax Disclosur. *Journal of the American Taxation Association*, 46(2). P. 31–61

143. Income, preliminary income assessment and tax assessment notice. URL.: <https://skat.dk/en-us/individuals/income-preliminary-income-assessment-and-tax-assessment-notice> (date of request: 28.10.2023)

144. Indirect taxation. URL.: <https://www.europarl.europa.eu/factsheets/en/sheet/81/indirect-taxation> (date of request: 05.06.2023)

145. Keynes J.M. *The General Theory of Employment, Interest and Money*, 1936. URL.: <https://www.marxists.org/reference/subject/economics/keynes/general-theory/index.htm>

146. Islamli J. Prospects for harmonisation and convergence of tax systems of the EU countries. *Problems of theory and methodology of accounting, control and analysis*. 3(59), 57–65. URL.: [https://doi.org/10.26642/pbo-2024-3\(59\)-57-65](https://doi.org/10.26642/pbo-2024-3(59)-57-65)

147. Islamli J. State analysis of tax systems and tax accounting of individual EU countries. *Public Policy and Accounting*. 2024. 1(9), 39–51. URL.: [https://doi.org/10.26642/ppa-2024-1\(9\)-39-51](https://doi.org/10.26642/ppa-2024-1(9)-39-51)

148. Islamli J. Priorities for the development of EU tax systems in the context of sustainable development goals [In Ukrainian]. *Economics, Management and Administration*. 2024. 4(110), 109–115. [https://doi.org/10.26642/ema-2024-4\(110\)-109-115](https://doi.org/10.26642/ema-2024-4(110)-109-115).

149. Islamli J. Economic nature of taxes and peculiarities of functioning of tax systems. *Natsionalna bezpeka v umovakh viiny, pislyavoiiennoi vidbudovy ta hlobalnykh vyklykiv XXI stolittia: zbirnyk tez dopovidei Vseukrainskoi naukovo-praktychnoi konferentsii z mizhnarodnoiu uchastiu*, 12-13 hrudnia 2024 roku. Zhytomyr: Zhytomyrska politekhnikha, 2024. P. 759-762.

150. Islamli J. Analysis of the tax system and tax accounting in Finland. *Pravova polityka Ukrainy: istoriia ta suchasnist: materialy V Vseukrainskoho naukovo-praktychnoho seminaru (m. Zhytomyr, 10 zhovtnia 2024 roku)*. Zhytomyr: Zhytomyrska politekhnikha, 2024. P. 214-217.

151. Islamli J. Peculiarities of tax administration in the EU. Tezy Vseukrainskoi naukovo-praktychnoi onlain-konferentsii aspirantiv, molodykh uchenykh ta studentiv, prysviachenoj Dniu nauky. Zhytomyr: "Zhytomyrska politekhnik", 2024. P. 706.

152. OECD (2024), Tax Policy Reforms 2024: OECD and Selected Partner Economies, OECD Publishing, Paris. URL.: <https://doi.org/10.1787/c3686f5e-en>. (date of request: 02.10.2024)

153. Policy Instruments for the Environment. URL.: <https://oecd-main.shinyapps.io/pinedatabase/> (date of request: 15.06.2022)

154. Proposal for a COUNCIL DIRECTIVE amending Directive 2006/112/EC as regards VAT rules for the digital age. URL.: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52022PC0701> (date of request: 28.10.2023)

155. Regulation (EU) 2021/847 establishing the ‘Fiscalis’ programme for cooperation in the field of taxation and repealing Regulation (EU) No 1286/2013 URL.: <https://eur-lex.europa.eu/eli/reg/2021/847/oj> (date of request: 28.10.2024)

156. Regulation (EU) No 1286/2013 establishing an action programme to improve the operation of taxation systems in the European Union for the period 2014-2020 (Fiscalis 2020) and repealing Decision No 1482/2007/EC. URL.: <https://eur-lex.europa.eu/eli/reg/2021/847/oj> (date of request: 28.10.2023)

157. Statistics Poland. URL.: <https://db.nomics.world/STATPOL> (date of request: 05.06.2024)

158. Tax administration. URL.: <https://www.oecd.org/en/topics/tax-administration.html> (date of request: 11.10.2023)

159. Tax transparency rules for crypto-asset transactions (DAC8) European Parliament. URL.: https://www.europarl.europa.eu/thinktank/en/document/EPRS_BRI%282023%29739310?form=MG0AV3 (date of request: 28.10.2023)

160. Taxation & SDGs. Worldbank. URL.: <https://documents1.worldbank.org/curated/en/860581538762337418/pdf/130559-WP-ReportFinalMar.pdf>

161. Taxation and Customs Union. URL.: https://taxation-customs.ec.europa.eu/index_en (date of request: 20.10.2024)
162. Taxation in Denmark. URL.: <https://www.ilo.org/data-and-statistics> (date of request: 14.10.2024)
163. Taxation: Council adopts new rules to strengthen administrative cooperation and include sales through digital platforms. URL.: <https://www.consilium.europa.eu/en/press/press-releases/2021/03/22/taxation-council-adopts-new-rules-to-strengthen-administrative-cooperation-and-include-sales-through-digital-platforms/> (date of request: 24.10.2023)
164. Teather R. The Benefits of Tax Competition R. Teather. *The Institute of Economic Affairs*. 2005. 167 p.
165. The general VAT rate is 25.5% as of 1 September 2024. URL.: <https://www.vero.fi/en/businesses-and-corporations/taxes-and-charges/annual-information-returns/> (date of request: 01.10.2022)
166. The growing importance of digital tools. URL.: <https://www.oecd.org/en/topics/tax-administration.html> (date of request: 28.10.2023)
167. The Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (BEPS MLI). URL.: <https://www.oecd.org/en/topics/tax-treaties.html> (date of request: 18.11.2023)
168. The OECD Model Tax Convention on Income and on Capital. URL.: <https://www.oecd.org/en/topics/tax-treaties.html> (date of request: 18.10.2023)
169. Tiwari K., Khan M. Sustainability accounting and reporting in the industry. *Journal of Cleaner Production*. 2020, P. 258. URL.: <https://www.journals.elsevier.com/journal-of-cleaner-production>
170. Towards fair, efficient and growth-friendly taxes. URL.: https://european-union.europa.eu/priorities-and-actions/actions-topic/taxation_en?form=MG0AV3 (date of request: 14.03.2023)
171. Understanding Corporate Income Tax Rules in Finland. URL.: <https://generisonline.com/understanding-corporate-income-tax-rules-in-finland/?form=MG0AV3> (date of request: 01.12.2023)

172. Valtion tuloveroasteikko 2024. URL.: <https://www.vero.fi/henkiloasiakkaat/verokortti-ja-veroilmoitus/tulot/ansiotulot/> (date of request: 01.12.2024)
173. Wagner A. Finanzw. A. Wagner. 1883. B. 2. P. 304. URL.: <https://www.britannica.com/biography/Otto-Wagner>
174. Wiredu, I., Osei Agyemang, A., Agbadzidah, S.Y. Does green accounting influences ecological sustainability? Evidence from a developing economy. *Cogent Business and Management*, 2023, 10 (2). URL.: 10.1080/23311975.2023.2240559
175. Zobi M., Al-Zaqeba M., Jarah, B. Taxation and customs strategies in Jordanian supply chain management: Shaping sustainable design and driving environmental responsibility. *Uncertain Supply Chain Management*, 2023, 11(4). P. 1859-1876.

APPENDICES

APPENDIX A

**Implementation of key OECD principles in the national tax legislation
of EU member states**

Member State	Implementation of key OECD principles into national legislation	The role of the OECD core principles
Austria	Section 6, paragraph 6 of the Austrian Income Tax Act	The OECD Guidelines serve as a tool for interpreting Austrian tax treaties (see Article 31, paragraph 3 of the Vienna Convention on the Law of Treaties). The role of the OECD Transfer Pricing Guidelines is explicitly mentioned and explained in the Austrian Transfer Pricing Guidelines 2021.
Belgium	Art. 185, §2, Corporate Income Tax Act	Belgian law provides specific guidance on interpreting the above articles regarding the OECD Transfer Pricing Guidelines. The 2020 Circular provides commentary on sections I, II, III, VI, VII, VIII, and IX of the 2017 OECD Transfer Pricing Guidelines. It also provides guidance on financial transactions. Finally, it also describes the application of the OECD's Authorised Approach (AOA) to attributing profits to permanent establishments. Where useful and appropriate, the advantages of the administration are indicated.
Bulgaria	Corporate Profit Tax Law, Chapter 4, Article 15	Although there is no specific reference to TPGs in the Bulgarian TA legislation, Bulgaria generally follows them. However, there are some differences (e.g., there is a hierarchy of methods under Bulgarian law)
Cyprus	Income Tax Law (Art. 33 of Law No. 118(I)/2002)	Although no specific legal provision exists, the OECD Transfer Pricing Guidelines are followed in practice.
Croatia	Income Tax Act, Article 13	Even if there is no direct reference in the Croatian legislation (in the Income Tax Act and the Income Tax Decree), the Croatian tax administration uses the OECD Transfer Pricing Guidelines in practice
Czech Republic	Czech Income Tax Act 586/1992, section 23, paragraph 7	The OECD TP Guidelines are not directly implemented in Czech tax law, but GFD D-22 (which provides a uniform procedure for applying certain provisions of the Czech Income Tax Act) recommends using the TPG.
Denmark	Tax Assessment Act (Ligningsloven).	The Danish Tax Assessment Act, Section 2, is directly referenced in the explanatory memoranda.
Estonia	Section 50 (4) of the Income Tax Act	TPGs have no legal status in the Estonian tax system. However, they have been translated into Estonian, and by Article 20 of Regulation no. 53 (Transfer Pricing Regulation), issued by the Ministry of Finance (effective from 1 January 2007), taxpayers and tax administrations are encouraged to use the TPG for

		situations not covered by the Transfer Pricing Regulation, as the guidance in the TPG does not contradict it.
Finland	Section 31 of the Valuation Procedure Act	The OECD Transfer Pricing Guidelines are a source of interpretation for tax treaties and national legislation. The OECD TPG is referred to in the Government Bill (107/2006 vp.), which updates transfer pricing legislation and introduces transfer pricing documentation requirements as an interpretation guide in the application of national legislation (Assessment Procedure Act, § 31). Reference was also made in the Government Draft Law (142/2016 vp.) on updating the requirements for transfer pricing documentation and in the Government Draft Law (188/2021 vp.) on updating the transfer pricing legislation.
France	Article 57 of the General Tax Code is the domestic equivalent of Article 9 of the OECD Model Tax Convention.	Although the OECD Transfer Pricing Guidelines are not binding under French domestic law or regulations, French administrative doctrine explicitly refers to them. French domestic administrative doctrine refers to the OECD Transfer Pricing Guidelines concerning the arm's length principle and the methods used to determine the price of a transaction between related parties following this principle
Germany	Section 1 Foreign Tax Act (Außensteuergesetz)	The purpose of the Foreign Tax Act is to allow the application of the OECD Transfer Pricing Guidelines under German law. In addition, the transfer pricing circular of the German Federal Ministry of Finance not only refers to the OECD Transfer Pricing Guidelines but also includes them as an appendix
Greece	Income Tax Code	The transfer pricing provisions of the Income Tax Code are applied and interpreted by the OECD general principles and the OECD Transfer Pricing Guidelines. The OECD TPG is also followed during the MAP and APA procedures
Hungary	Section 18 of Act LXXXI of 1996 on corporate and dividend tax	The OECD TP Recommendations are not legally binding in Hungary, however, the Hungarian TP rules are based on the OECD Transfer Pricing Guidelines. Section 31, paragraph 2, subparagraph b of Act LXXXI of 1996 on corporate and dividend tax contains a reference to the OECD TPG
Ireland	Section 835C of the Taxation Consolidation Act 1997 (replaced by section 27 of the Finance Act 2019).	Ireland's transfer pricing rules are interpreted by the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations published by the OECD on 10 July 2017 (the 'TPG'), as supplemented by - - Guidance for Tax Administrations on the application of the hard -to-value approach to intangible assets, - Revised guidance on the application of the transaction profit sharing method

		and - Any additional guidance published by the OECD after the date of enactment of the Finance Act 2019 (i.e.
Italy	Income Tax Code (approved by Presidential Decree No. 917 of 22.12.1986): Art. 110 para. 7 recently updated in June 2017.	The Ministerial Decree dated 14 May 2018, while establishing general guidelines for the proper application of the arm's length principle established by law in Article 110 para. 7 of the CPT Code, contains an explicit reference to the OECD Transfer Pricing Guidelines and the OECD Final Report on BEPS Actions 8-10. See the preamble of the Ministerial Order.
Latvia	Corporate Profit Tax Law, Section 4, Para. 2, Subpara. 2-e	The OECD Transfer Pricing Guidelines are used as best practices and recommendations for addressing the following transfer pricing issues: - How to apply transfer pricing methods; - How to perform functional analysis and comparative benchmarking; - To promote cooperation between taxpayers and tax administrations and avoid double taxation; - To justify certain controlled transactions or commercial relationships.
Lithuania	Paragraph 3 of the Rules for the Application of Article 40(2) of the Law of the Republic of Lithuania on Corporate Income Tax and Article 15(2) of the Law of the Republic of Lithuania on Personal Income Tax, approved by the Minister of Finance of the Republic of Lithuania (TP Rules)	The Lithuanian TP Rules are largely in line with the OECD Transfer Pricing Guidelines (OECD TPG). In addition, the Lithuanian TP Rules recommend the use of the OECD TPG, if the provisions do not contradict the provisions of the TP Rules.
Luxembourg	Art. 56 and 56bis of the amended law of 4 December 1967 on income tax (the 'LITL').	The OECD TPGs are the basic reference in national legislation. They form the basis for any TP analysis.
Malta	Article 5(6) Income Tax Administration	In the absence of specific national transfer pricing legislation, reference is made to the OECD Transfer Pricing Guidelines. However, they are not binding
Netherlands	Art. 8b of the CIT Act	The OECD Transfer Pricing Guidelines ('TPG') are not incorporated into Dutch law; however, based on the Dutch Transfer Pricing Ordinance, the TPG are considered internationally accepted guidelines that explain and clarify (apply) the arm's length principle.
Poland	Article 11c para. 1, 11j para. 1 of the Corporate Income Tax Act (CIT Act) Article 23o para. 1, 23v para. 1 of the Personal Income Tax Act (PIT Act)	The OECD Transfer Pricing Guidelines are not part of Polish law, but they are used as an explanatory tool. In addition, by the provisions contained in the PIT and DT Act, the Act of the Minister of Finance on the TP assessment procedure and the Act of the Minister of

		Finance on TP documentation mainly take into account the OECD Transfer Pricing Guidelines
Portugal	Article 63 of the Corporate Income Tax Code	The OECD Transfer Pricing Guidelines are referred to in Portuguese law as a source of guidance on the application of the arm's length principle. The preamble to Ministerial Order (Portaria) No. 268/2021 of 26 November states that the OECD Transfer Pricing Guidelines should be taken into account when applying the transfer pricing and arm's length principle, given the complexity of the issue and the need to avoid double taxation and litigation.
Romania	Tax Law, section 11, paragraph 4 (art. 11, analog 4 of the fiscal legislation code) Order 442/2016- TP file	The Romanian legislation includes guidelines on the interpretation of the articles of the Tax Law on transfer pricing concerning the OECD Transfer Pricing Guidelines (TP). In addition, in the application of the arm's length principle, Romanian legislation contains a direct reference to the OECD TPG
Slovak Republic	Income Tax Act, Article 17, paragraph 5 and Article 18, paragraph 1	The OECD Transfer Pricing Guidelines (TP Guidelines) are not legally binding but are acceptable as an explanatory tool.
Slovenia	Corporate Income Tax Act and Transfer Pricing Rules (updated translation to 2016)	The TPG is used as a practical tool by the taxpayer and the tax administration (Financial Administration) to determine the remuneration on an arm's length basis based on the relevant transfer pricing law, i.e. the Corporate Income Tax Act and the Transfer Pricing Rules. The OECD Transfer Pricing Guidelines (2010) have been translated into Slovenian and published on the website of the Ministry of Finance and Financial Administration.
Spain	Corporate Income Tax Law, art. 18.1 (Ley 27/2014, 27 November 2014)	The OECD TPGs are recognized by the preamble to the Corporate Income Tax Law as a source of interpretation of domestic law, and as the Guidelines do not conflict with national regulations
Sweden	Section 14, paragraph 19 of the Swedish Income Tax Act (1999:1229).	The Supreme Court's decisions make reference to the OECD TPG (RÅ 1991, reference 107 and HFD 2016, reference 45). In addition, the preparatory work for the transfer pricing documentation legislation makes reference to the transfer pricing methods described in the OECD TPG.

APPENDIX B**List of publications on the research subject****1. Scientific works in which the main scientific results of the dissertation are published:****1.1. Articles in scientific professional journals of Ukraine (category B):**

1. Islamli J. Priorities for the development of EU tax systems in the context of sustainable development goals [In Ukrainian]. *Economics, Management and Administration*. 2024. 4(110), 109–115. [https://doi.org/10.26642/ema-2024-4\(110\)-109-115](https://doi.org/10.26642/ema-2024-4(110)-109-115).

2. Islamli J. State analysis of tax systems and tax accounting of individual EU countries. *Public Policy and Accounting*. 2024. 1(9), 39–51. URL.: [https://doi.org/10.26642/ppa-2024-1\(9\)-39-51](https://doi.org/10.26642/ppa-2024-1(9)-39-51)

3 Islamli J. Prospects for harmonisation and convergence of tax systems of the EU countries. *Problems of theory and methodology of accounting, control and analysis*. 3(59), 57–65. URL.: [https://doi.org/10.26642/pbo-2024-3\(59\)-57-65](https://doi.org/10.26642/pbo-2024-3(59)-57-65)

2. Scientific works certifying the approbation of the dissertation materials:

4. Islamli J. Economic nature of taxes and peculiarities of functioning of tax systems. National Security in Times of War, Post-War Reconstruction, and Global Challenges of the 21st Century: Collection of Abstracts of the All-Ukrainian Scientific-Practical Conference with International Participation, December 12-13, 2024. Zhytomyr: Zhytomyr Polytechnic, 2024. P. 759-762.

5. Islamli J. Analysis of the tax system and tax accounting in Finland. Legal Policy of Ukraine: History and Modernity: Materials of the V All-Ukrainian Scientific-Practical Seminar (Zhytomyr, October 10, 2024). Zhytomyr: Zhytomyr Polytechnic, 2024. P. 214-217.

6. Islamli J. Peculiarities of tax administration in the EU. Abstracts of the All-Ukrainian Scientific-Practical Online Conference of Graduate Students, Young Scientists, and Students Dedicated to Science Day. Zhytomyr: "Zhytomyr Polytechnic", 2024. P. 706.



МІНІСТЕРСТВО ОСВІТИ І НАУКИ УКРАЇНИ
ДЕРЖАВНИЙ УНІВЕРСИТЕТ «ЖИТОМИРСЬКА ПОЛІТЕХНІКА»
 Ministry of Education and Science of Ukraine, Zhytomyr Polytechnic State University

вул. Чуднівська, 103, м. Житомир, 10005
 103, Chudnivska Str., Zhytomyr, Ukraine, 10005
 Phone/fax: (0412) 24-14-22, 24-14-23, e-mail: rector@ztu.edu.ua, https://ztu.edu.ua, код ЄДРПОУ 05407870

СИСТЕМА УПРАВЛІННЯ ЯКІСТЮ ВІДПОВІДАЄ ДСТУ ISO 9001:2015
 QUALITY MANAGEMENT SYSTEM ISO 9001:2015

Від 24.12.2024 р. № 44-01.00/1968
 На № _____ від _____

ДОВІДКА

про використання наукових результатів дисертаційної роботи
 Джейхуна ІСЛАМЛІ

на тему:

«Стратегічні пріоритети розвитку податкових систем та податкового обліку в країнах ЄС»

Дисертаційна робота Джейхуна ІСЛАМЛІ присвячена розв'язанню актуального наукового завдання – обґрунтуванню теоретико-методичних положень і науково-практичних рекомендацій щодо стратегічних пріоритетів розвитку податкових систем та податкового обліку країн ЄС.

Матеріали дослідження містять низку новаторських ідей та положення, які мають важливе наукове значення та використовуються в освітньому процесі Державного університету «Житомирська політехніка», а саме при розробці навчально-методичного забезпечення для підготовки здобувачів за спеціальністю 071 «Облік і оподаткування» освітнього ступеня бакалавр в контексті удосконалення структури та змісту дисципліни «Міжнародне оподаткування».

Перший проректор
 Державного університету
 «Житомирська політехніка»,
 д. е. н., професор



Оксана ОЛІЙНИК



Вих. №1-02 від 21.02. 2025 р.

ДОВІДКА
про використання наукових результатів дисертаційної роботи
Джейхуна ІСЛАМЛІ
на тему:
**«СТРАТЕГІЧНІ ПРІОРИТЕТИ РОЗВИТКУ ПОДАТКОВИХ СИСТЕМ
КРАЇН ЄС»**

Враховуючи, що однією із цінностей Спілки аудиторів України є підтримка наукових досліджень у сфері фінансів, оподаткування та аудиту, результати дисертаційної роботи Джейхуна Ісламлі було використано при підготовці аналітичних матеріалів щодо гармонізації податкової політики України з нормами та стандартами ЄС, організації професійних семінарів та круглих столів для аудиторів, податкових консультантів і представників бізнесу з питань міжнародного оподаткування.

Наукові висновки та практичні рекомендації, викладені у дисертаційній роботі, сприяють формуванню обґрунтованих стратегічних підходів до реформування податкової системи України відповідно до європейських стандартів та забезпечують підвищення прозорості й ефективності податкового адміністрування.

Голова правління
Житомирського ТВ ВПГО САУ



С.М. Ратушний



Товариство з обмеженою відповідальністю
«Науковий парк Державного університету
«Житомирська політехніка»
10005, Житомирська область, м. Житомир, вул.
Чуднівська, буд. 103.

Вих.05/1212 від 12.12.2024 р.

ДОВІДКА

про використання наукових результатів дисертаційної роботи
Джейхуна ІСЛАМЛІ
на тему:

«Стратегічні пріоритети розвитку податкових систем та податкового обліку в
країнах ЄС»

Довідкою засвідчується, що матеріали дисертаційної роботи Джейхуна ІСЛАМЛІ аспіранта Державного університету «Житомирська політехніка» за спеціальністю 071 «Облік і оподаткування» використовуються Товариством з обмеженою відповідальністю «Науковий парк Державного університету «Житомирська політехніка» для розробки стратегій податкового стимулювання інноваційного бізнесу, а також підготовки рекомендацій щодо оптимізації оподаткування стартапів і технологічних компаній. Крім того, дослідження можуть бути застосовані у консультативній діяльності, організації освітніх програм і тренінгів з міжнародного оподаткування та інвестиційного планування.

Директор



Михайло ПСЮК