

II. INVENTORY OF TAXES - DESCRIPTION OF ALL IDENTIFIED TAXES

“*Inventory of Taxes Levied in the European Union*” is published and updated regularly by the European Commission; most recently the updated version for Finland has been prepared in 1999.

This series of publications serves as the model for the description of all taxes in the accession states Estonia, Poland, Hungary, the Czech Republic and Slovenia.

The sequence of taxes in the inventories follows the ESA-classification in the four main categories:

- (1) Current taxes on income and wealth
- (2) Non-current taxes on income and wealth (‘Capital taxes’)
- (3) Taxes linked to production and imports
- (4) Actual social contributions

Following the ESA classification, category (3) Taxes linked to production and imports, is further disaggregated into

- (3.1) VAT and general turn-over taxes
- (3.2) Import duties and agricultural levies
- (3.3) Excise duties
- (3.4) Taxes on services
- (3.5) Taxes on ownership of land and buildings
- (3.6) Stamp, registration and similar duties
- (3.7) Other taxes linked to production and imports

(4) Actual social contributions

is split up into

- (4.1) Employers’ social contributions
- (4.2) Employees’ social contributions
- (4.3) By self-employed and non-employed persons

Thus, e.g. for Estonia, the taxes are listed in the following sequence:

- EST 1.1., EST 1.2. etc lists all current taxes on income and wealth (individual income tax, corporate income tax...) for Estonia, likewise PO 1.1. etc. for Poland.
- EST 2.1., EST 2.2 etc. lists capital taxes (inheritance and gift tax).
- EST 3.1.1., EST 3.1.2. lists VAT and general turnover taxes.
- EST 3.2.1., 3.2.2. etc. lists import duties and agricultural levies.
- EST 3.3.1., EST 3.3.2. etc. lists the various excise duties.
- EST 3.4.1., EST 3.4.2. etc. lists the taxes on services.
- EST 3.5.1., EST 3.5.2. etc. lists taxes on ownership of land and buildings
- EST 3.6.1, etc. lists stamp, registration and similar duties
- EST 3.7.1. etc. lists other taxes linked to production and imports.

Finally:

- EST 4.1.1., EST 4.1.2. etc. lists employers’ social contributions

- EST 4.2.1., EST 4.2.2. etc. the social contributions of employees.
- EST 4.3.1., EST 4.3.2. etc. the social contributions of self-employed and non employed persons.

Within the description of each tax the individual features are described in the following standard order (as far as a category is not empty):

- legal base (Law Nr.... of 199..);
- beneficiary (central, regional, or local government, social security funds);
- tax payable by:
- basis of assessment;
- exemptions;
- deductions;
- special features;
- collection;
- rates.

Furthermore, as suggested in a meeting of the contractors with DG XXI in Brussels on Dec 6, 99, the time evolution of the tax system in the countries covered is displayed in the following way:

- The 'Inventory of Taxes' lists all taxes in force as of 1999.
- A list of decided and of planned changes from 2000 onwards.
- A list of taxes that have been abolished before 1999.

The 'Inventory of Taxes' for each of the five countries investigated is given in the Annex of this report:

- A.1. Estonia,
- A.2. Poland,
- A.3. Hungary,
- A.4. Czech Republic,
- A.5. Slovenia.