

Can the Harmonization of the Corporate Taxation be Realized?

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Abstract: In the present period of the development of the European integration the basic requirement is enhancing the competitive power, which can be created by the demolition of the inside market's barriers. The indirect taxes, more precisely the initiation of the value-added tax led intensely to the implementation of the economic and monetary union. At the beginning of the millenium, the unitary monetary policy has already been realized for the member countries who have achieved the strict convergence criteria, and those who have introduced and are using the ever stronger euro.

Beside the implementation of the single currency, the idea of approximation of the national tax systems comes up again, which has effects not only on the above mentioned value-added taxation but also on the income taxes payed by corporations. In my essay I am looking for the answer to the question why the implementation of tax harmonization has not succeeded in corporate taxation during the past decades and if there is a chance to accept a common European consolidated tax base.

Keywords: tax harmonization, corporate taxes, Common Consolidated Corpotate Tax Base, tax rate, consolidation, domestic tax systems, tax competition, share mechanism