

---

ANNALIS  
UNIVERSITATIS MARIAE CURIE-SKŁODOWSKA  
LUBLIN – POLONIA

VOL. L, 1

SECTIO H

2016

---

\*University of Łódź. Faculty of Economics and Sociology

\*\*University of Zagreb. Faculty of Law

JAROSŁAW MARCZAK\*, JASNA BOGOVAC\*\*

marczak.jaroslaw@gmail.com, jasna.bogovac@pravo.hr

*Rational Tax System in the Light of the Management's  
Perception – a Theoretical Review*

---

Racjonalny system podatkowy w świetle percepcji kadry menedżerskiej – przegląd teoretyczny

**Keywords:** rational tax system; management's perception; tax compliance

**Słowa kluczowe:** racjonalny system podatkowy; kadra menedżerska; wypełnianie obowiązków podatkowych

**JEL Code:** H21; H26; G30

## Introduction

The earlier interpretations of taxes have been given a new meaning. Bouvier argues, for instance, that today many notions and concepts that are not necessarily new but are still relevant to a particular state of society organisation have become particularly topical. He illustrates his point with the notions of „fiscal justice” (*justice fiscale*) and of „fiscal equality” (*égalité fiscale*), and with the concept according to which a fiscal system is not only to provide the budget with revenues, but also to stimulate the economic and fiscal policy of the state [Bouvier, 2000, p. 26]. New phenomena such as tax havens, tax optimisation, tax competition and tax harmonisation also have to be addressed, because of their strong impact on the country's economy and on the possibility of financing the needs of its population and because of the tax resistance they may entail. The phenomena are usually examined in isolation from each other, even though they can and should be analysed together, because of their interactions in real life.

Creating a good tax system is not easy, because all tax systems are exposed to many factors that change in time and call for concessions. Further, the state (the legislature) and taxpayers (e.g. enterprises) have different expectations. One also has to bear in mind that a tax system is made of different taxes, some of which are less significant than the others.

The discussions of rational tax systems are meaningful from both practical and theoretical perspectives. They allow for a better understanding of how taxes shape taxpayers' behaviour and why they sometimes lead to tax resistance (the practical dimension), as well as expanding the knowledge of a particular tax system, in that they highlight its weak and strong points, extract factors that affect it the most strongly, and in turn enable the system in place to be changed and improved (the theoretical dimension). According to Kosikowski [2007, p. 39], the main advantage of a rational taxation system is that it is usually founded on profound theoretical ideas that are not easy for practitioners to formulate. While the very notion of 'a rational tax system' does not change, its contents are (or should be) reinterpreted because of changes brought about by objective economic and social processes, such as economic integration (EU membership and the resulting harmonisation of taxes), the globalisation of economies, the influence of transnational corporations, harmful practices (tax competition etc.). Therefore, the rationality of a tax system changes in time.

The aspects of a rational tax system can be viewed from many angles, at least for the multidirectional effects of taxes. It is also possible to examine "a tax system" alone to find out whether it is rational or not, and why. For the rationality of a tax system to be assessed, a definition of such a system must be developed first. This is not simple, because a rational tax system has at least two meanings. The first of them derives from the division of tax systems into historical and rational<sup>1</sup>. The second one has to do with the tax system being understood as a set of taxes created for fiscal purposes (as sources of budget revenues) that may also take account of the public need for fairness.

Studies on the rationality of tax systems, which have been triggered by tax evasion and tax avoidance becoming commonplace [Kudła, 2004], focus on tax morality and taxpayer behaviour. According to Niesiołowska [2013, p. 13] a taxpayer can (i) pay taxes, voluntarily or involuntarily, or (ii) not pay, unintentionally or deliberately. The literature of the subject emphasises that not only are these phenomena a fact, but also that their scale is expanding. Higher number of tax avoidance instances recorded among US corporations coinciding with the crisis of supervision over corporations calls for a different approach to the problem [Kałdoński, 2009, p. 391]. Part of this new approach could be studies into what factors make corporations in a particular country avoid taxes or seek different ways of reducing their tax liabilities to the detriment of

---

<sup>1</sup> A tax system may actually not be rational even though it is recognised as such.

the state, the economy and the public. At this point, it seems rational to consider how tax avoidance<sup>2</sup> and the rationality of a tax system are related to each other.

## 1. The notion of a rational tax system

### 1.1. An overview of a rational tax system

The adjective “rational” means „reasonable, purposeful, well-thought-out” or, alternatively, „based on reason; well-grounded” [*Słownik poprawnej polszczyzny*, 1978, p. 622]. Without going into detail, it can be broadly assumed that both explanations can clarify the nature of a rational tax system. In the first case, we deal with a tax system that is well-thought-out and deliberately developed to meet some needs in specific circumstances. The rationality of tax systems considered from a historical perspective follows from the created and implemented solutions. If the second meaning of the word ‘rationality’ is applied, then a rational tax system is meant as a theoretical construct created from scratch, based on the existing knowledge of taxes, the prevalent economic theories and the condition of the economy. It is unrelated to the one in force and its purpose is to replace it. Whether a tax system is developed evolutionarily or a theoretical solution is worked out, the final result may be the same – a rational tax system<sup>3</sup>. When looking at a rational tax system, a number of factors affecting it must be taken into account.

### 1.2. A rational tax system – a literature review

To assess how rational a tax system is, some reference framework must be created, such as a theoretical model of such a system. It must be established whether ‘rationality’ applies to the tax system itself or to its creator (“a rational legislator”) [see: Kośny, 2007, p. 80]. The literature does not provide a clear explanation of what “a rational tax system” is like. It is thought, though, that a rational tax system is one that is good, ideal, optimal or fair. Particular authors highlight different aspects of rationality or attach different importance to them<sup>4</sup>. These aspects include effectiveness, optimality, stability, transparency, neutrality, fairness, and predictability. When a tax

---

<sup>2</sup> In case of MNCs, tax avoidance might be a way of refraining from doing business in a particular country since they can opt for another tax system which is more rational and trustworthy.

<sup>3</sup> Let us note that the words ‘rational’, ‘rationality’ and the notions deriving from them may be understood very differently. Likewise, the actual meaning of a rational tax system may also vary depending on who defines it, in what socio-economic circumstances, for what purpose, where (in what country), etc. To preclude terminological misunderstandings and gaps from occurring, the meaning of “a rational tax system” should be made more specific but not rigid considering that it changes dynamically.

<sup>4</sup> For example, Jelčić [2008, p. 265–274] mentions six principles of taxation that make a tax system rational: equity, simplicity, neutrality, stability, decrease in tax burden and applicability in practice.

system is being analysed for rationality, the international determinants must also be considered, such as the harmonization of taxes, tax competition, tax optimisation, tax planning and the influence of TNCs. This multitude of different aspects leads to the question about whether an abstractly rational tax system (i.e. at all times and everywhere) is possible and whether it does deserve to be called perfect. Is it more appropriate to investigate the rationality of a tax system separately for domestic and foreign entities or as a whole? Does a rational tax system help „overcome” tax resistance or make tax avoidance less frequent?

A tax system can be defined as all taxes levied in a state that form a legally and economically cohesive and logical organisational whole [Kosikowski, 1998, p. A/31]. Although taxes comprising a tax system have different weights, it is crucial that the “harmony between income taxes, consumption and property taxes” [Kosikowski, 2007, p. 38] is maintained. The literature also provides discussions about the relation between direct and indirect taxes and critical evaluations thereof [Kośny, 2007, p. 80; Stiglitz, 2004]. Income taxes – CIT and PIT, VAT and the inheritance and gift tax – are not only the most important taxes, but also the ones that stir the strongest emotions<sup>5</sup>. Except for the last one, they are the main sources of budget revenues<sup>6</sup>. For this reason, the discussions of tax systems and their rationality are frequently and implicitly assumed to be discussions about these taxes. They are also used to measure the performance of a tax system, although it must be noted that tax rules are also used to this end<sup>7</sup>.

### 1.3. The perceived rationality of a tax system

Countries have their own, specific tax systems, because they have developed differently and have different history. Nevertheless, because of economic globalisation, the influence of international organisations (the World Bank, the International Monetary Bank, etc.), and harmonisation processes in the European Union, some countries have very similar tax systems. Similar does not mean identical, though. It is not infrequent that seemingly insubstantial differences in tax solutions lead to far-reaching consequences, such as tax competition.

How companies view the rationality of a tax system depends on the industry, size (e.g. SMEs), the degree of internationalisation (global and international corporations), as all these factors determine the degree to which they can control their tax policy. It is very certain that all governments are intent on attracting new firms to benefit from modernisation and greater competitiveness of the national economy, to make

<sup>5</sup> In Poland.

<sup>6</sup> In Poland, VAT accounts for ca. 45% of budget revenues; PIT and CIT together for around 22%. Total tax revenues collected in Croatia and Poland in the years 2010–2013 have similar percentages [Marczak, Bogovac, 2015].

<sup>7</sup> J.E. Stiglitz has produced a list of five desirable characteristics of any tax system: economic efficiency, administrative simplicity, flexibility, political responsibility and fairness [Stiglitz, 2004, p. 550–575].

it more innovative, to see workers flowing from unemployment to employment. To achieve this objective, they implement various measures, for instance change tax systems (by introducing tax incentives, etc.) and taxes [Gorczyńska, 2007, p. 497]. One outcome of this may be the aforementioned tax competition. J. Christiansen<sup>8</sup> views tax reliefs as subventions that give some firms advantage over their competitors that has nothing to do with the quality or price of their products. He also argues that tax incentives unnaturally favour international corporations over smaller firms, and that this distortion by no means increases market efficiency [Christiansen, 2008, p. 83]. While it is obvious that tax incentives are not intended to strengthen foreign companies, they can usually turn them to their advantage. Therefore, it seems necessary not only to monitor the implemented solutions but also to survey how taxpayers (particularly companies) perceive the tax system.

## 2. The role of managers and mutual interests of stakeholders

Corporate managers do not make their decisions solely on rational economic human basis (acting as *Homo economicus*), but rather on numerous related variables with complex bonds. When confronted with the tax issues of a complicated and dynamic business environment, managers strive to increase financial results of companies and, in the same time, to fulfil tax obligations. These goals are diametrical and show the basic problem of tax managers and advisors: how to comply with taxation rules of a country (very often it is „countries“, and rules are coming from more than one tax system) and manage to pay considerable amount of taxes, in order to decrease tax risks and bad taxpayer reputation while being a profitable and successful company. These two goals, though opposite, have some common points as well. First of all, the same stakeholders are interested in its successful outcomes: government (tax administration), owners, employees, customers, suppliers, advisors, analysts, investors; we could say society in general, due to the fact that positive externality and spillover effect arise from the activity of the successful companies with good corporate governance<sup>9</sup>.

Next similarity arises from the fact that managers, as well as owners who employ them, are driven by the self-interests: if they want to avoid or reduce taxes,

---

<sup>8</sup> Director, Tax Justice Network.

<sup>9</sup> From the perspective of exact expectations, different standpoints of these groups are obvious: take the salary issue, for example. Employees want an increase in salaries and better work conditions while management and owners oppose to it due to additional costs of such demands. In general, mutual interests of the same confronted stakeholders might also be recognized. Employees believe their interests lie in the company's tax compliance due to the fact that it pays all withholding taxes and social contributions for employees, as well as all other taxes for the firm, as good corporate citizens do. At the same time, working for the profitable company gives employees a sense of safety and trust in terms of timing and stability of the salary. Both goals, when successfully gained, give the employees confidence that the company is a sustainable and reliable place of work, making them proud of being employed there.

they behave as *Homo economicus* trying to earn as much as possible<sup>10</sup>; on the other hand, if they want to reduce tax risks, tax compliance must be done properly. This “compliance willingness” can be described by the basics of *the behavioral economics* due to the fact that people do not make rational decisions but rather behave irrationally because of the risk aversion. Another argument for tax compliance driven by the egoism of the taxpayers arises from the fact that there is “a complex role of individual ethics and social norms in taxpaying behaviour”<sup>11</sup> [Wenzel, 2005, p. iv]. Individuals want to reach non-monetary as well as monetary gains, and be respected in the social groups they recognize as important, so they signalize that they behave as good corporate citizens. Bad reputation can jeopardize corporate endurance, therefore, avoidance of the tax risks and good financial reports play an important role in tax planning (non)aggressiveness [Graham et. al., 2014].

In addition to that, the next mutual characteristic of these corporate goals is that they are, on individual level, aligned with „the guidelines for coherent international tax and investment policies“ [UNCTAD, 2015, p. 206] based on three fundamental principles: (i) promoting sustainable development, (ii) tackling tax avoidance and (iii) facilitating productive investment.

These common interests and general opinions on rational management that should lead successful companies, which are good corporate citizens, means that expectations include solid business prospects of the company in the long term, enabling simultaneously growth of the economy and the market. The fact of having in mind main drivers of the decision-making process of managers, on the other hand, give us more widespread picture of the tax environment with complex interactions of various interested groups and its expectations.

### **3. What do we know and can explore about perception of management of the rational tax system?**

In addition to rational economic determinants, ethical and social aspects of decision-making process of top management in corporations, other, less rational but intuitive

---

<sup>10</sup> Economic self-interest behavior of the management though very undoubted and simple for acceptance, is multidimensional and depends on concrete individual and business circumstances. Thereby Arlen and Weiss [1995] argue that the agency problems cause insufficient incentives for managers to lobby for corporate tax integration so double taxation of dividends persists in U.S. tax system. Similarly, Poterba, Nirupama and Seidman [2011, p. 3] offer a survey evidence that some large firms lobbied successfully against a corporate tax rate cut suggested by Congress in 2004. The reason was that its substantial deferred tax assets would have reduced value after revaluation if the statutory corporate rate changed, notwithstanding the fact that all taxpayers (including them) would have decreased amounts of tax due in the forthcoming years.

<sup>11</sup> Tax ethics is defined as “one’s belief that there is a moral imperative that one should be honest in one’s tax dealings” and “social norms refer to perceptions of what most other people believe is appropriate” [Wenzel, 2005, p. 3].

behaviours also influence these actions<sup>12</sup>. Three principles of human decision-making presented in the World Development Report 2015 are: (i) thinking automatically (ii) thinking socially and (iii) thinking with mental models [The World Bank Group, 2015]. It is important to know a specific country entrepreneurs' opinion on a concrete tax system and their opinion on possible institutional and fiscal instruments that might improve the perception of the economy and attract FDI, which would then enhance the economic outcome. Moreover, it is important to explore what entrepreneurs of the specific country think about concrete tax system and what they think about possible institutions and fiscal instruments that might improve the perception of the economy and attract FDI, which would then enhance the economic outcome.

This is of great importance especially for the developing countries, suffering from the lack of FDIs and capital, and having less effective countermeasures for MNCs' tax avoidance due to its insignificant tax collection capabilities (UNCTAD, 2015) and/or scrutiny of tax authorities [Bogovac, 2015]. Since business environment has greater dynamics than a taxation systems based on traditional tax principles developed at a time of relatively closed economies [Tanzi, 1995, p. 135], it is understandable that developing countries' taxation systems get behind developed ones, creating more obstacles to the inflow of foreign capital.

One of the most quoted requirements of tax practitioners and entrepreneurs regarding improvements in tax systems of developing countries is a simplification that would lead to legal tax certainty. As Google chairman, Eric Schmidt had told political leaders (after public accusations that Google used complicated legal structures to avoid tax obligations in the UK) [Wintour, Artur, 2013], there was a need for rational and predictable international tax system. If there was a distinction between the letter and the spirit of the law, companies would expect of the politicians to define the difference<sup>13</sup>.

Simplicity was a driver for many tax reforms in last decades but tax issues are very complex<sup>14</sup> so consequences of simplifications are very often "complications" [Freedman, 2015]. A major cause of complexity is an introduction of new tax reliefs, since each relief needs to be considered in the context of a wider tax policy [Freedman, 2015]. Special attention should be paid to action taken against tax avoidance, facilitated with such incentives, making the paradox of tax incentives and vicious cycle of tax avoidance and tax scrutiny [Bogovac, 2015].

---

<sup>12</sup> For example, Lavermicocca [2011] mentions "the smell test", "gut feeling" and "a rough rule of thumb" for evaluation of transactions. Tanzi [1995, p. 18–19] excerpts the importance of preferred habitat, that is psychologically or socially driven, in contrast to the tax differences which induce behavioral changes.

<sup>13</sup> This requirement is concretely addressing Ed Miliband, the Labour Leader who challenged Schmidt to say whether "Google would comply with the »spirit« of the tax laws, which might then lead to it being taxed more".

<sup>14</sup> Freedman [2015] highlighted, for example, an intensely political nature of taxation, complexity of the legislation that underlie taxation, flawed underlying policies, consultations, weakly equipped tax administration, tax exemptions and reliefs, as reasons of tax complexity.

The relationship between corporate taxpayers and revenue authorities is another important issue that can improve perception of the rationality of tax system to taxpayers. Some countries, namely Australia, the Netherlands, the U.S. and the U. K. were the first to introduce initiatives based on co-operation even prior to the "OECD report" on the role of tax intermediaries in 2008 [Freedman et al., 2010]. Their experience and results of their researches on the opinions of taxpayers gave solid basis for the future analysis of possible improvements in this field.

Public consultation process on tax proposals are often perceived as "lobbying rather than consultation" [Freedman, 2015, p. 12], due to the fact that only well-organized larger professional firms and businesses attend to meetings<sup>15</sup>, and "it seems that the modern populace has forgotten its historical involvement and has allowed incoherent tax policy to flourish" [Martinez, 2009, p. 320]<sup>16</sup>. Therefore, research on opinions of managers should include medium and small firms with the aim to reach wide-ranging scope of the entrepreneurs and their view on the tax system issues.

Even though some reports and researches, such as *Doing business* of the World Bank, measured indicators of good tax policies in 189 economies around the globe relying on expert respondents, they have limitation since the result indicators did not measure the variation in experiences among entrepreneurs [The World Bank Group, 2014, p. 18]. This might be improved with more detailed evidences "from the field survey" in specific countries.

## Conclusion

Arguments about a rational tax system, whether explained thoroughly by scientist or by the average taxpayers, lead us to the same pragmatic question: how do we recognize a rational modern tax system and how can we extract its main drivers? If we narrow the scope of our interests and focus on the opinions of the corporate taxpayers, it does not mean that answers might be ease and strait. Therefore, it is important to explore what are management's perceptions and drivers for behaviour that arise from rational choices: transparency and simplification of tax system that can support decision-making process, usable tax incentives, helpful tax administration and quality and quantity of its services.

---

<sup>15</sup> Comments from small business, academics and even non-government organisations are much less frequent [Freedman, 2015, p. 12].

<sup>16</sup> Author addressed this to Americans whose country was "founded upon the outspoken voices of colonial opposition to burdensome taxes".

## Bibliography

- Arlen J., Weiss D., *A Political Theory of Corporate Taxation*, "The Yale Law Journal" 1995, Vol. 105, No. 2, DOI: <http://dx.doi.org/10.2307/797124>.
- Bogovac J., *The Paradox of Tax Incentives in Developing Countries*. Collected Papers from the Conference "System of Financial Law", Masaryk University, theoretical series, edition Scientia, 2015, File No. 515.
- Bouvier M., *Wprowadzenie do prawa podatkowego i teorii podatku*, KiK, Warszawa 2000.
- Christensen J., *Zagrożenia wynikające z konkurencji podatkowej*, [in:] *Koordynacja czy harmonizacja – przyszłość podatków w UE*, Niebieskie Księgi 2008, nr 23, Polskie Forum Strategii Lizbońskiej, Gdańsk 2008.
- Freedman J., *Managing Tax Complexity: the Institutional Framework for Tax Policy-Making and Oversight*, Draft chapter for inclusion in *Tax Simplification* (eds. C. Evans, R. Krever), Kluwer Law International, forthcoming, Working Paper Series 15/08, Oxford University Centre for Business Taxation, [www.law.ox.ac.uk/themes/tax/judith.php](http://www.law.ox.ac.uk/themes/tax/judith.php) [access: 10.09.2015].
- Freedman J., Loomer G., Vella J., *Analyzing the Enhanced Relationship Between Corporate Taxpayers and Revenue Authorities: A U.K. Case Study*, The IRS research bulletin: proceedings of the 2009 IRS research conference, [www.researchcatalogue.esrc.ac.uk/grants/RES-060-25-0033/outputs/read/0d17338b-4f50-4766-9a12-ffa3aba130dc](http://www.researchcatalogue.esrc.ac.uk/grants/RES-060-25-0033/outputs/read/0d17338b-4f50-4766-9a12-ffa3aba130dc) [access: 10.09.2015].
- Gorczyńska A., *Obciążenia podatkowe z punktu widzenia międzynarodowej ekspansji przedsiębiorstw*, [in:] J. Ostaszewski (red.), *O nowy ład podatkowy w Polsce*, Wyd. SGH, Warszawa 2007.
- Graham J.R., Hanlon M., Shevlin T., Shroff N., *Incentives for Tax Planning and Avoidance: Evidence from the Field*, "The Accounting Review" 2014, Vol. 89, No. 3, DOI: <http://dx.doi.org/10.2308/accr-50678>.
- Jelčić et al., *Financijsko pravo i financijska znanost*, Narodne Novine, Zagreb 2008.
- Kałdoński M., *Unikanie opodatkowania z perspektywy teorii agencji*, Zeszyty Naukowe nr 59, Ekonomiczne Problemy Usług nr 39, *Finanse 2009 – Teoria i praktyka*. *Finanse przedsiębiorstw*, Szczecin 2009.
- Kosikowski C., *Podatki. Problem władzy publicznej i podatników*, LexisNexis, Warszawa 2007.
- Kosikowski C., *Podstawowe pojęcia podatkowe*, [in:] C. Kosikowski (red.), *Encyklopedia prawa*, WP PWN, Warszawa 1998.
- Kośny M., *Podatki a dobrobyt społeczny*, Wyd. AE we Wrocławiu, Wrocław 2007.
- Kudła J., *Ekonomiczne problemy kosztów opodatkowania i nielegalnego unikania podatków*, Wyd. UW, Warszawa 2004.
- Lavermicocca C., *Tax Risk Management Practices and their Impact on Tax Compliance Behaviour – the Views of Tax Executives from Large Australian Companies*, "eJournal of Tax Research" 2011, Vol. 9, No. 1, [www.austlii.edu.au/au/journals/eJTR/2011/5.html](http://www.austlii.edu.au/au/journals/eJTR/2011/5.html) [access: 10.09.2015].
- Marczak J., Bogovac J., *Tax Systems in Poland and Croatia – Comparative Analysis*, [in:] *The Financial Law towards Challenges of the XXI Century*, Warsaw 2015.
- Martinez L.P., *Tax Policy, Rational Actors, and Other Myths*, "Loyola University Chicago Law Journal" 2009, Vol. 40, No. 2.
- Niesiobędzka M., *Dlaczego nie płacimy podatków? Psychologiczna analiza uchylania się od opodatkowania*, SCHOLAR, Warszawa 2013.
- Poterba J., Nirupama R., Seidman J., *Deferred Tax Positions and Incentives for Corporate Behaviour around Corporate Tax Changes*, "National Tax Journal" 2011, Vol. 64, DOI: <http://dx.doi.org/10.17310/ntj.2011.1.02>.
- Słownik poprawnej polszczyzny*, PWN, Warszawa 1978.
- Stiglitz J.E., *Ekonomia sektora publicznego*, WN PWN, Warszawa 2004.
- Tanzi V., *Taxation in an Integrating World*, Washington D.C. 1995.
- The World Bank Group, *Doing Business 2015 – Going Beyond Efficiency*, 2014, [www.doingbusiness.org/reports/global-reports/doing-business-2015](http://www.doingbusiness.org/reports/global-reports/doing-business-2015) [access: 10.09.2015].
- The World Bank Group, *World Development Report 2015*, 2015, [www.worldbank.org/en/publication/wdr2015](http://www.worldbank.org/en/publication/wdr2015) [access: 10.09.2015].

UNCTAD, *World Investment Report 2015 – Reforming International Investment Governance*, <http://unctad.org/en/pages/PublicationWebflyer.aspx?publicationid=1245> [access: 10.09.2015].

Wenzel M., *Motivation or Rationalisation? Causal Relations Between Ethics, Norms and Tax Compliance*, Centre for Tax System Integrity, Working Paper No. 63, 2005.

Wintour P., Artur C., *Google Boss Calls for a 'Rational and Predictable International Tax System'*, "The Guardian", 22 May 2013, [www.theguardian.com/technology/2013/may/22/google-boss-international-tax-system-eric-schmidt](http://www.theguardian.com/technology/2013/may/22/google-boss-international-tax-system-eric-schmidt) [access: 10.09.2015].

### **Racjonalny system podatkowy w świetle percepcji kadry menedżerskiej – przegląd teoretyczny**

Podatki od zawsze wzbudzały zainteresowanie z różnych powodów. Państwa interesują się nimi ze względu na zapotrzebowanie na pieniądź publiczny, a podatnicy, ponieważ podatki uszczuplają ich fundusze nabywcze. W czasach globalizacji gospodarczej, integracji państw i rozbudowanych korporacji ponadnarodowych znaczenie podatków jeszcze wzrosło. Podatki pobierane w kraju tworzą system, zatem pytanie o efektywność tego systemu jest całkowicie uzasadnione. Czy jest dostosowany do systemu gospodarczego i społecznego kraju? Czy jest odporny na niekorzystne zjawiska, takie jak raje podatkowe? Czy może konkurować z systemami podatkowymi innych krajów? Najprościej rzecz ujmując, czy jest to system racjonalny?

Głównym tematem artykułu jest analiza i ocena ważnych cech ustawodawstwa podatkowego i praktyki administracji podatkowej, które dają podatnikom pewność prowadzenia działalności gospodarczej w danych krajach, a jednocześnie tworzą wiarygodne otoczenie dla rządu do prowadzenia polityki podatkowej przez różne instrumenty fiskalne.

### **Rational Tax System in the Light of the Management's Perception – a Theoretical Review**

Taxes have always attracted interest for many reasons. States need them to meet their demand for public money and taxpayers know that taxes reduce their disposable funds. The importance of taxes has even increased in the present period of globalizing economies, integrating states, and expanding multinational corporations (MNC). Taxes collected in a country form a system, so it is quite natural to ask questions about the system's performance. Is it adapted to the economic and social system of the country? Is it immune to adverse phenomena, such as tax havens? Can it compete with the tax systems in other countries? Simply speaking, is the system rational?

The main issue of this paper is to analyze and predict the important characteristics of tax legislation and practice of tax administration that make taxpayers feel confident doing business in a particular country and at the same time create a reliable environment for the government to lead fiscal policy by different fiscal instruments.