

PECULIARITIES OF TAXATION OF CORPORATE RIGHTS

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In modern conditions of development of the economy there is an increasing interest of scientists and legislators in the corporate sector in Ukraine, because Ukrainian society does not have an overall view and understanding of the concepts of “corporate rights”, and business operations with their taxes.

Today there are quite a considerable number of publications concerning the essence of corporate rights from a legal and economic point of view, however, there is no single evidence-based approach to the interpretation of the concept of “corporate rights” that influences the choice of methods of their accounting reflection and, in turn, taxation of business transactions with corporate rights and actualizes further study of this issue.

The purpose of this article is the definition of corporate rights, and also determination of the nature and content of business transactions with them as objects of the taxation system.

Modern corporate governance is a necessary component of entrepreneurship. After all, it is aimed at protecting the corporate rights of participants of societies that provide financial resources. The current regulatory framework in respect of corporate rights is an important element in the functioning of a business entity, as it regulates legal relations arising from the establishment and operation of corporate education, rights and responsibilities of shareholders, liability of individuals and legal reflection of operations in tax accounting.

The interpretation of the notion of corporate rights is reflected in the Tax Code of

Ukraine, where it is assumed that corporate law – the rights of the person whose share is determined in the Charter capital (property) of economic organization including authority of this individual to participate in the management of a business organization, receiving certain share of the profits (dividends) of this organization and assets in case of liquidation of the latter in accordance with the law and other powers, provided by law and statutory documents.

The object of taxation of corporate rights is a set of business transactions associated with the possession of corporate rights, which cover operations on the realization of property rights of the parties and the mutual obligations arising in connection with corporate rights.

The operation of the taxation of corporate law arise as a result of: 1) establishing (participation in establishing) of a business entity (initial method of acquisition of corporate rights); 2) acquisition of the existing corporate rights on the basis of transactions, inheritance (succession) court decision, etc. (derivative method of acquisition of corporate rights).

In cases of termination of corporate rights, the following business transactions are taxed: 1) alienation of corporate rights (sale, exchange, gift, contribution to Charter capital, etc.); 2) separation of the owner of the corporate rights from economic organizations (economic companies); 3) exclusion of the owner of the corporate rights from economic organizations; 4) recognition of the owner of the corporate rights as retired from the economic organizations; 5) termination

of a business entity in respect of which the person had corporate rights.

As a result of studying of economic and legal nature of corporate rights there is identified the contents of economic oper-

ations for the taxation of corporate rights. Shareholders identification for tax purposes depends on the proper organization of the tax accounting of their corporate rights.