TAXATION IN FINANCIAL STRATEGY OF A COMPANY

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Abstract
Imposing taxes is a complex social, economic and political phenomenon that significantly affects entities involved. Therefore, it requires some analyses and assessments made from different perspectives - in its broad understanding and from the perspective of public authorities, i.e. entities that may impose fiscal burden, and in its narrow meaning, i.e. from the perspective of particular entities that have to face this burden. The very issue of imposing taxes and problems related to taxpayers’ behaviours toward the burden involved is of particular importance, especially in the period of the economic slump.

In this article fiscal burden is discussed in its narrow meaning mainly. This burden is presented in a group of specific taxpayers, i.e. companies. Fiscal burden companies have to face is shown as some element of their financial strategies. At the same time a relatively strong assumption that fiscal burden imposed on companies should be adjusted to their fiscal abilities is adopted. Moreover, companies should also be able to influence their fiscal burden. Theoretical considerations undertaken will be verified on the basis of the results obtained while carrying out a survey in a group of Polish companies.

Key words: financial strategy, financial objectives of a company, corporate taxation, tax optimisation

1. INTRODUCTION
Activities undertaken by a company that functions in its difficult and turbulent environment resulting from the world economic crisis should be well organised. Managers need tools that integrate backgrounds of their decision and make those tools cohesive. Strategy is thought to be such a tool. In principle, corporate strategy deals with adjusting company’s internal capacities to company’s environment. Such adjustment aims at obtaining some configuration of internal predispositions of a company with opportunities and threats that are met outside a company to get competitive advantage and maximise company value. Generally, any corporate strategy covers five key areas of activities undertaken by a company, i.e. company’s potential connected with marketing, logistics and operations, human resources, organisation and management, and economy and finance.

Therefore, financial strategy is an element of corporate strategy, thus being a part of corporate mission realisation. Financial strategy particularly focuses on all activities that in a specific time horizon let a company acquire capital of desired volume and structure and allocate capitals obtained in asset components. That is why, formulating and realising financial strategy requires looking for solutions that would be optimal in the context of capital sources and structure along with directions of capital involvement. At the same time, it is necessary to pay attention to the fact that each decision made in this context will have some fiscal result and the fiscal burden obtained this way may largely influence financial decision made.

2. OBJECTIVES OF COMPANY’S FINANCIAL STRATEGY
Principle of finality is a basic rule to be applied in order to formulate and realise strategy including financial strategy. Generally, it is thought that financial strategy of a company aims at generating highest possible tangible benefits for company owners. Tangible benefits are the most important intentions of owners because of the following two reasons (Grant, 2003, p. 2):
• when no profit objective is met, sudden or gradual loss in value of resources involved is experienced, which results in company bankruptcy and incapacity to meet other objectives left,

• investors who deposit their means for a relatively short period of time by means of the capital market are solely driven by their willingness to obtain some tangible benefits.

When reaching highest possible tangible benefits for owners becomes a company’s objective, it is necessary to go into details and identify what tangible objectives are looked for. It is possible to employ three variants of perceiving a financial objective of a company, i.e.:

• maximisation of profits,

• maximisation of share prices,

• maximisation of company’s market values.

The first possible variant of identifying financial objectives – maximisation of profits – was preferred in the neoclassical theory of a company. Discussing consequences that result from directing a company towards maximisation of profits, it is necessary to notice that in practice it is possible to manipulate profit levels by means of employing different accounting practices. This may result in a situation when a category of a balance profit does not always reflect actual benefits a company has. Moreover, in the very construction of the balance profit costs of equity acquisition are not taken into account. Change in value of money in time is not paid attention to as well (Rapaport, 1998, p. 14). On the other hand, maximisation of share prices involves valuation of company performance on the basis of market driven valuation. This parameter of valuation of realising company financial objectives would be justified if markets were effective. However, the markets in question are not effective, which is, inter alia, confirmed by speculative banks (Arnold 2010, pp. 20-21).

Because of disadvantages of these two first variants of identifying financial objectives of a company in the contemporary theory of finance, it is maximisation of company’s market value that is considered to be the most important financial objective of a company. Maximisation of company’s market value simultaneously means maximisation of profits for owners. Measurement of the level of realising such a formulated financial objective is provided by Market Value Added (MVA) that takes into account Economic Value Added (EVA). Company’s market value consists of invested capital and a level of Market Value Added to be obtained in future as a result of the capital invested and being a sum of discounted future Economic Values Added.

\[
\text{MVA} = \sum \frac{\text{EVA}_t}{(1+WACC)} \\
\text{EVA} = \text{NOPAT} - WACC \times \text{IC}_{t-1}
\]

where:

MVA – Market Value Added,

EVA – Economic Value Added,

\( t \) – time,

WACC – Weighted Average Cost of Capital,

NOPAT – Net Operating Profit After Taxes,

IC \(_{t-1}\) – Invested Capital.

Taking into account Economic Value Added while valuing a financial objective allows for employing a ratio that is based on the formula of surplus of incomes over costs. However, as compared to balance profit this includes numerous modifications that are important for objective nature of valuation. This
ratio takes into account interests of investor groups because its formula involves investors’ expected benefits that are measurable and translate into investors’ future incomes. These incomes are valued by the market and make up a sum of discounted incomes that originate from the capital invested. Value ratio based on future income also pays attention to the cost of capital invested in the company. Construction of ratios discussed allows for identifying values that influence a particular ratio, thus determining the level of realising a financial objective set by a company (Strategie podatkowe przedsiębiorstw, Ciupek, Famulska, 2013, pp. 15-17). Types of financial decisions and final determinants of realising a financial objective of increasing market value are presented by means of Figure 1.

![Diagram](image_url)

**Figure 1. Decisional areas and determinants of an objective of company’s financial strategy.**

Source: own

Each type of decisions made results in other decisions made in other decisional areas and when fiscal results of such decisions are taken into account market value is obtained. Operational decisions influence value of operational profit. Capital decisions determine structure and cost of capital. Investment decisions that are possible due to the capital acquired shape company’s assets. Company’s assets translate into potential of operational activities and take part in generating operational profit. Additionally, it is necessary to pay some attention to the fact that maximisation of the company market value understood as a major objective of financial strategy is possible to realise only when companies are able to keep continuity of economic processes realised. To meet this condition, it is necessary to sustain financial liquidity. Sustaining financial liquidity allows a company to generate money on the level that enables companies to settle short-term liabilities on time. Deterioration of financial results and market position of a company, limiting development
opportunities of a company or in extreme cases bankruptcy may be a result of insufficient realisation of the company’s objective.

3. SCOPE AND SCALE OF COMPANY’S FISCAL BURDEN

When companies formulate their financial strategies and then realize their objectives, they have to take into consideration fiscal consequences of their decisions taken. The whole system of fiscal burden is imposed on companies and the system in question consists of taxes on revenues realised and revenues obtained, and taxes that are direct costs of running any business activity. Each of the taxes imposed is perceived by companies predominantly as some limitation that prevents them from reaching their financial strategies and a reason for decreasing their financial safety. Therefore, it is generally possible to distinguish three basic effects of taxation on activities undertaken by companies, i.e. problems related with:

- sustaining financial liquidity,
- economising capital and asset components, and
- costs that are related to determining and settling fiscal liabilities.

In the context of sustaining financial liquidity, taxation is largely connected with two issues, i.e. realisation of the fiscal liability and the return of the tax overpaid in case of income taxes or return of the surplus of the output tax over input tax – in case of VAT. Realisation of tax payments naturally affects financial liquidity of companies. This results from some discrepancy between terms of payment for delivery of goods and services and deadlines for payment of fiscal liabilities. Terms of payment of liabilities are usually earlier that liabilities that result from commercial credit, which makes entrepreneurs look for additional means that would finance punctual fiscal payment realisation. This situation does not only refer to taxes that lead to definite burden of an entrepreneur (direct taxes) but also to indirect taxes that in principle are transferred to consumers. What is more, returns of overpaid income taxes or returns of surplus output VAT do not generally lead to any improvement in liquidity.

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Taxes and their amount also have to be taken into account while making decisions concerning structures of capital and assets. In their nature direct taxes limit opportunities for obtaining financial benefits both for entrepreneurs and in case of a situation when profits obtained might be used for self-financing. Moreover, for entrepreneurs, negative effects of taxation results in a necessity to bear costs that affect fixed assets held by their companies. On the other hand, in case of indirect taxes, they in their very nature should not influence decision taken in the context of assets and capital related resources although it is necessary here to meet a condition that all taxes due are transferred to final customers who buy goods and services. In practice, this complete transferability of the burden in question is limited by market conditions.

Cost related aspects of organisational results of servicing taxes have to be analysed in two layers. Firstly, entrepreneurs have to undertake operational actions that would ensure correct establishment and punctual settlement of all taxes due. These actions do not only refer to responsibilities to be faced by taxpayers but also to function taxpayers have to adopt. Secondly, it is necessary to create adequate organisational condition for these actions either by establishing own tax departments or by outsourcing related responsibilities and settlements to authorised external entities.

Weight of the fiscal burden in realisation of objectives of any financial strategy is reflected not only in the number of payments to be borne or maturity dates but also the very volume to be paid. Nominal value of fiscal burden borne is not the most important here. What really counts is the relation of fiscal burden borne to major economic categories that decide about the level of financial objectives obtained. In the theory of taxation several options of measuring the scale of taxes due can be provided (Karayan, Swenson, Neff, 2002, pp. 142-145). Fundamentally, value of sales realised by companies may be used
as a point of reference. In this case, valuation of fiscal burden to be borne by companies is made by means of the $S_t$ index. This index is based on the relation of the total values of fiscal burden borne to the volume of sales realised. This may be expressed by the following formula:

$$S_t = \frac{T_t}{P_t}$$

where:

- $S_t$ – index of the company’s fiscal burden,
- $T_t$ – total taxes to be borne by a company in $t$ time,
- $P_t$ – value of sales realised by a company in $t$ time.

However, in practice usefulness of this index is limited because of several disadvantages including application of the balance of profit to determine and measure financial objectives of companies. In order to get rid of limitations of this index, it is possible to employ the $L_t$ index that involves all production factors. This index is based on the relation between value of all taxes paid and total payments related to all production factors. The relation in question is expressed by means of the following formula:

$$L_t = \frac{T_t}{W_t + D_t + Z_t}$$

where:

- $L_t$ – index of the company’s fiscal burden,
- $T_t$ – total taxes to be borne by a company in $t$ time,
- $W_t$ – value of the remuneration of the labour factor in $t$ time,
- $D_t$ – value of the dividend for $t$ time,
- $Z_t$ – retained profit for $t$ time.

However, if a contemporary concept of determining objectives of companies’ financial strategies and the way they are measured are taken into consideration, the $C_t$ index is more and more important in the context of corporate finance management. This index involves economic value added understood to be the value all fiscal burdens of companies should be referred to. Value of the $C_t$ index is presented by means of the following formula:

$$C_t = \frac{T_t}{EVA_t}$$

where:
4. NATURE AND LIMITS OF USING TAX OPTIMISATION

A category of tax optimisation is not defined by law. It is regulated neither in the European Union law nor in legal provisions of particular member countries. This notion has not been addressed in the doctrine and practice of fiscal regulations. Generally, it is possible to assume that tax optimisation is an intended and conscious action undertaken and realised by a company within its financial strategy adopted. This action aims at:

- optimising fiscal burden,
- delaying maturity date of tax liabilities,
- limiting tax related risks of decisions taken.

It is necessary to notice here that the objectives in question are not in practice independent. It is not possible to focus only on optimisation of fiscal burden or on delaying maturity dates of tax liabilities without paying attention to problems related to risk. Similarly, it is not possible to focus on limiting tax related risks without any attention paid to fiscal burden or its maturity dates. Obtaining effects of optimisation means, therefore, realisation of all intended goals simultaneously with some equilibrium between optimisation of fiscal burden and convenient terms of tax payment, and limitation of tax related risks.

Tax optimisation undoubtedly results from possibilities to select by companies different scenarios of behaviours that lead to different tax effects. These possibilities include, inter alia, a selection of legal solutions – and as a result fiscal solutions – that refer to the way a company is established and the way it functions. A possibility to optimise taxes also results from some diversity of legally available forms of organising sales. These forms are subject to separate taxation regulations provided by the fiscal legislator. Moreover, entrepreneurs who use a principle of liberty while entering into contracts may also shape any legal relationship and choose a way to settle mutual private and legal relationships that would result in expected fiscal burden that lead to intended objectives. Numerous examples that allow for tax optimisation as a result of using adequate legal constructs include, inter alia, general solutions that allow for selection of a place business activities are carried out, a legal form of business activities undertaken and organisational structure. These possibilities are supported by detailed solutions that stem from legal nature of particular taxes and that allow companies to choose their taxpayer status, i.e. a taxpayer who is exempted from paying VAT or a so called “small taxpayer” who is somehow
privileged in the context of terms of settling taxes due. Optimisation of fiscal burden may also be performed by means of using rights to choose the following policies: selection of a moment to report incomes, selection of the way depreciation costs are determined and settled, optimisation of bad debts, settlement of tax loss, usage of tax deductions or usage of reliefs while paying taxes due (Ciupek, 2013, pp. 156-174).

Apart from situations when tax optimisation results from intended diversification of tax results in specific factual contexts carried out by public authorities, optimisation of fiscal burden may be performed as a result of faulty fiscal legislation. Entrepreneurs who wish to optimise taxation look for some “loopholes” and undertake actions that aim at shaping economic relationships in order to avoid tax regulations or find more lenient forms of taxation. Imperfection of the tax law predominantly stems from complexity of economic phenomena whose realisation should be taxed. Anticipating all possible business behaviours in the very construct of taxation is in practice infeasible, especially in the context of dynamics of business relationships and constant implementation of new economic and financial instruments into business practice. As a result, if a legal standard does not cover particular factual state, it is not possible to identify any fiscal obligation that results from this state and therefore it is not possible to determine any fiscal obligation. This imperfection is intensified by insufficient realisation of postulates of clarity and precision of tax law regulations. Poor clarity and precision of regulations may also be taken advantage of by taxpayers who wish to optimise their taxes. However, it is necessary to notice here that these optimisation processes may be accompanied by some administrative and court disputes with tax authorities.

Analysing the very nature and tools of optimisation it is impossible to forget about a problems of borders set for optimisation. These borders are predominantly set by legal standards that mainly include the following:

- standards that limit the level of using instruments of tax optimisation,
- standards whose breach results in illegality of taxpayer’s behaviour.

Entrepreneurs who use their rights to make choices shown by public authorities as preferences that help diminish fiscal burden or allow for delaying such burden in time must take into account that each state’s intervention to the benefit of entrepreneurs must comply with the European Union law preventing unfair competition. In the eyes of the European Union law systemic solutions that allow for tax optimisation may be some public aid and in case of companies must be equal for all business entities that run their business operations and they cannot exceed establish quotas. Pursuant to the community law, providing entrepreneurs with public aid must be performed in accordance with principles that are set in the Treaty on the Functioning of the European Union. Article 107 Item 1 reads that each aid given by any member country from public sources that disturbs competition or may disturb competition by putting some entrepreneurs or production of some goods in a privileged position should be considered inconsistent with principles of the common market (Official Journal of the European Union C 326/47). Provision of public aid including establishment of tax privileges by any state is therefore some infringement of the equality principle when it favours one particular entrepreneur. However, when the whole group of entities gets somehow promoted, such aid should be considered to be actions promoting equal opportunities. Therefore, the European Commission assumes that there are some forms of supporting companies that would comply with principles of the common market. It is also assumed that common market principles are not broken if the help aimed at one entrepreneur does not exceed 200,000 Euro in a given financial year and two preceding years. This amount is thought no to be high enough to affect principles of competitiveness remarkably. The help in question is referred to as de minimis aid.

On the other hand, behaviours that infringe principles set by the law, i.e. intended to generate some tax savings by means of instruments that are legally forbidden are referred to as tax evasion. Taxpayers obtain tax benefits as a result of illegal behaviours that, inter alia, include hiding subjects of taxation, hiding accounting operations, performing fictitious operations, false qualifying of business operations, organising insolvency or illicit paying no taxes. A phenomenon of tax evasion is perceived in negative terms and entrepreneurs who take advantage of instruments that infringe the law in order to reduce
their fiscal burden are subject to legal sanctions. Solutions provided by the fiscal penal law provide for sanctions that fight tax evasion involving:

- not disclosing subject or object of taxation,
- unreliable keeping of accounting books,
- not issuing invoices and receipts or issuing such documentation in an unreliable manner,
- VAT return related frauds.

Legal solutions provide for some sanctions whose contents allow for identifying tax offences and are of preventive nature. The very knowledge about them in many cases prevents entrepreneurs from undertaking illegal actions.

5. INFLUENCE OF TAXATION ON FINANCIAL STRATEGY AS EVALUATED BY COMPANIES

To discuss the issue of the way taxation influences financial strategies of companies, some questionnaire research was carried out in order to verify attitudes of companies. It is assumed that financial strategies of companies are generally determined by opportunities and threats that stem from the environment. Therefore, companies subject to research were asked to provide their opinions about conditions of running business activities. Replies obtained allow for stating that companies subject to research believe these conditions to be difficult (60%) and very difficult (36%). None of companies subject to research expresses its opinion that running business activities was easy. Results obtained suggest that companies see more threats than opportunities in their environments. Companies’ pessimism also seems justified by some feeling of increased economic risk of business activities conducted that results from worsening business conditions and detrimental changes in demand and prices in recent years. Formulating financial strategies that aim at limiting threats and utilising opportunities found in the environment requires involvement of own economic and financial potential. That is why, companies were asked to evaluate their present and future (next 12 months) economic and financial situation. Distribution of replies obtained is presented in Table 1.

<table>
<thead>
<tr>
<th>Current economic and financial situation</th>
<th>Percentage of replies</th>
<th>Future economic and financial situation</th>
<th>Percentage of replies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very good</td>
<td>4.0</td>
<td>Is going to improve</td>
<td>8.0</td>
</tr>
<tr>
<td>Good</td>
<td>22.0</td>
<td>Will not change</td>
<td>23.0</td>
</tr>
<tr>
<td>Average</td>
<td>50.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Poor</td>
<td>22.0</td>
<td>Is going to worsen</td>
<td>69.0</td>
</tr>
<tr>
<td>Very poor</td>
<td>2.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>Total</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 1: Economic and financial situation in companies subject to research and its anticipated development.

Source: Own on the basis of the research conducted.

Research results obtained show that on the market there are companies that enjoy good and stable financial results and that believe that they have many strengths (26%) and companies that report some equilibrium between their strengths and weaknesses (50%). There are also some companies that are critical with reference to their economic and financial situation (24%). However, it is quite disturbing that a vast majority of companies (69%) reported worsening of their economic and financial situation.
This pessimism of companies is largely intensified by poor economic forecasts. Therefore, companies subject to research were asked to list major reasons that explain worsening of their economic and financial situation. Economic, legal and financial reasons were reported, which is in detail presented in Table 2.

<table>
<thead>
<tr>
<th>Economic reasons</th>
<th>*Percentage of replies</th>
<th>Legal reasons</th>
<th>*Percentage of replies</th>
<th>Financial reasons</th>
<th>*Percentage of replies</th>
</tr>
</thead>
<tbody>
<tr>
<td>High fiscal burden of the turnover</td>
<td>36.0</td>
<td>Complicated legal procedures</td>
<td>2.0</td>
<td>No assessment to sources of financing</td>
<td>13.0</td>
</tr>
<tr>
<td>High fiscal costs of labour</td>
<td>56.0</td>
<td>Complicated legal regulations</td>
<td>66.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low demand for goods and services</td>
<td>17.0</td>
<td>Instability of legal regulations</td>
<td>39.0</td>
<td>High costs of financing</td>
<td>23.0</td>
</tr>
<tr>
<td>High fiscal burden of income</td>
<td>32.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>74.0</td>
<td>Total</td>
<td>70.0</td>
<td>Total</td>
<td>30.0</td>
</tr>
</tbody>
</table>

*Companies were provided with a possibility to select multiple answers.

Table 2: Reasons for worsening economic and financial situation of companies.

Source: Own on the basis of the research conducted.

Companies refer to some system of reasons that explain why the economic and financial situation worsens. At the same time this system shows the structure of risk to be faced while running any business activity. According to companies subject to research, a major problem related to running business activities may be attributed to economic barriers and legal barriers, which was reported respectively by 74% and 70% of companies subject to research. For 66% of companies major legal barriers include complicated tax regulations. However, in case of economic barriers, 36% of companies subject to research refer to high burden on sales, 32% to high burden on income and as much as 56% to high fiscal costs of labour. Taking all these facts into consideration, it is possible to ask a question about evaluation of binding tax regulations and the way such regulations affect realisation of financial objectives adopted. It is also interesting to know opinions about possible behaviours towards taxation of companies’ activities.

According to a majority of companies subject to research, binding tax regulations are generally perceived in rather negative terms (30%) or negative (24%). Only 4% of companies believe the regulations to be positive. None of companies subject to research expressed general positive opinion about binding tax regulations. Evaluation of particular forms of tax regulations is presented in Table 3.

<table>
<thead>
<tr>
<th>Regulation</th>
<th>Evaluation (percentage of replies)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax regulations in general</td>
<td>Positive: 0.0, Rather positive: 4.0, Rather negative: 30.0, Negative: 24.0</td>
</tr>
<tr>
<td>Taxes on turnover</td>
<td>Positive: 0.0, Rather positive: 2.0, Rather negative: 20.0, Negative: 40.0</td>
</tr>
</tbody>
</table>
Table 3: Assessment of tax regulations that affect companies.

Source: Own on the basis of the research conducted.

Companies subject to research were also asked to evaluate fiscal burden in the context of the way such burden affects realisation of the financial objectives adopted and the direction of such influence. Replies obtained are shown in Table 4.

Table 4: Influence of taxation on realisation of entities’ financial objectives.

Source: Own on the basis of the research conducted in the group of companies.

According to entrepreneurs, taxation is an important or rather important factor to be taken into account while realising financial strategies of companies. Taxes on turnover are the most important here (82%) along with personal income taxes (80%) and corporate income taxes (72%). Assessing the way tax burden influences their companies, entrepreneurs mainly reported negative influence (74%). Only 2% of companies subject to research reported some positive influence of taxation on realisation of financial strategy related objectives. In case of 24% of respondents taxation did not have any impact on realisation of their companies’ financial objectives.

Companies subject to research were also asked to express their opinions concerning the most frequently adopted attitudes towards taxation. Replies obtained in this context are presented in Table 5.

Table 5: Adopted attitudes towards taxation.

Source: Own on the basis of the research conducted in the group of companies.

*Companies were provided with a possibility to select multiple answers.
According to companies subject to research, taxable entities generally accept conditions of fiscal burden set (78%). However, companies subject to research simultaneously report that they undertake actions that aim at shaping the amount of taxes due. These actions include attempts to transfer fiscal burden (72%) and total or partial avoidance of fiscal burden (20%).

Another issue to discuss in the context of negative perception of binding fiscal solutions and active attempts to decrease fiscal burden is to identify replies to a question concerning sanctions to be faced by companies with reference with their taxes due. Research results obtained generally show that companies correctly follow their tax related obligations. Only 14% of entities subject to research reported that they had to face tax related sanctions as a result of incorrect identification of tax obligation and emergence of tax arrears. A half of these entrepreneurs who reported being sanctioned as a result of tax burden were fined with reference to VAT. A few entrepreneurs were also fined with reference to their income taxes or incorrect observance of employee remuneration related obligations.

Since a number of sanctions reported by entrepreneurs subject to research was relatively small, it seemed interesting to find out what actions were undertaken in order to limit tax risk. In corporate practice two solutions are possible while determining fiscal liabilities. Companies may try to determine such liabilities on their own or they use services provided by external accountants. In the group of companies subject to research replies obtained were almost equally divided into two groups: 46% of companies reported settling taxes due on their own and 54% of companies used outsourcing. It is necessary to note down that regardless of own or external tax settlements, companies subject to research improve their knowledge about binding tax regulations by participating in different trainings or using professional tax consultancies and apply for tax interpretations. A form and scale of activities undertaken in the context of tax burden settlements are presented in Table 6.

<table>
<thead>
<tr>
<th>A form of burden</th>
<th>Activities* (percentage of replies)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Systematic use of trainings</td>
</tr>
<tr>
<td>Taxes on turnover</td>
<td>8.0</td>
</tr>
<tr>
<td>Taxes on corporate income</td>
<td>8.0</td>
</tr>
<tr>
<td>Taxes on personal income</td>
<td>6.0</td>
</tr>
<tr>
<td>Taxes on costs of business activities</td>
<td>2.0</td>
</tr>
</tbody>
</table>

*Companies were provided with a possibility to select multiple answers.
Entities subject to research equally indicated their use of related trainings and services rendered by tax consultants. Companies most frequently used trainings that referred to turnover and corporate income tax solutions. In case of using tax consultancy services by companies subject to research, occasional and systematic use was reported. Companies most frequently asked tax consultants for help with reference to regulations concerning taxes on turnovers. Using the institution of tax interpretations was also reported. However, in this case companies also asked for solutions in the area of turnover related taxes.

6. CONCLUSIONS

The theoretical considerations presented above along with results of the survey research help us understand the way taxation affects formulation and realisation of companies’ financial strategies. Wishing to reach the objective intended, companies cannot neglect tax related problems. They should not only know legal construction of taxes but they must be able to identify the burden involved, which is not solely about being capable of determining value of the fiscal burden. Companies are expected to know how to measure their fiscal burden in the context of their financial objectives. The research carried out has confirmed that companies believe that taxation on their activities is some threat to reaching their objectives intended in the context their financial strategies. This threat is so important that companies decide to undertake actions that aim at optimising fiscal liabilities. Simultaneously, companies undertake numerous actions that allow for using solutions in compliance with binding regulations and for limiting tax related risks.

REFERENCES


