

Success Rate of Tax Arrears Recovery: Czech Republic Case Study

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Abstract: The study is aimed at the recovery of tax arrears in the Czech Republic. Every tax entity is obliged to pay the tax return. In case of delay the tax administrator is in charge of collection of not paid taxes. This office is entitled to issue execution rulings. The tax law enables the tax administrator to conduct the execution in six different types of execution orders or through court executors. The aim of our article is to assess the success rate of tax arrears recovery by the tax administrator in 2011-2017. Data about the total amount of tax arrears, about tax arrears and about amounts recovered were taken from the document Information about activities of the tax administration office in the Czech Republic in single years of recorded period. The success of the tax arrears recovery is in single years assessed according to the method of recovery. The most spread method is the tax execution: wages abatement, ordering receivables on the account at the provider of payment services, ordering a different receivable, ordering other property rights, sale of movable and immovable property. Furthermore, court execution or recovery of receivables in insolvency proceedings is used. The highest proportion of tax arrears is recovered in insolvency proceedings. In the long-term stable success rate of tax arrears recovery is in the form of tax execution by ordering receivables on the account at the provider of payment services.

Keywords: tax; tax arrears; recovery; execution; insolvency proceedings

JEL Classification: H20; H21; H30

1. Introduction

Tax incomes are a significant part of the state budget of the Czech Republic. In case of delay the tax administrator ensures collection of the unpaid tax through recovery services. Since the tax collection is the income of public budget, this activity is emphasized a lot and becomes an unseparable part of it. An arrear is a part of tax which has not been paid yet, although its payment date has expired. It is a debt on tax that the tax entity has not paid on time. By violating this liability the tax entity becomes a debtor (Baxa et al. 2011).

Tax collection, tax arrears recovery and fight against tax avoidance are parts of tax administration in most countries. In membership countries of the European Union tax arrears mean problems of different sizes for governments and tax offices. According to data provided by the Greek minister of finance the debt of tax payers in Greece at the end of 2014 reached nearly 70 billion euros. While the share of undisputable tax arrears in tax collection was nearly 90.0% in 2010, in countries like e.g. Austria, Germany or Denmark it did not reach over 2.5% (Hybka 2015). According to Espin et al. (2019) in order to increase income, improve liquidity and reduce budget deficit countries can implement as a mechanism for tax collection the performing of tax reliefs for example in the form of cancellation of penalty interests, fines and surcharges. Bunescu (2010) presents impact the tax pressure has on tax arrears of Romanian tax payers and also on budget incomes. He also deals with the impact on the number of cases of tax avoidance or on the dynamics of economic subjects. Kotlinksa (2018) presents a range of statistic data from 2000–2017, which illustrate profits from VAT in comparison with total tax income and total income of the state budget, amounts and structure of tax arrears and tax gap connected with unregistered economic activity. Insufficient tax collection has negative impact on the operation of the whole economy. Popa (2012) states that negative socioeconomic impacts in Romania

are the result of tax evasion and frauds, tax arrears, reduced level of tax collection and incorrect economic policy. Knowledge and practical experience in tax administration confirmed that the growth of tax arrears in some cases reflects conscious avoidance of tax duties.

In the Czech Republic, Grossová (2015) dealt with the tax arrears recovery. She focused on the characteristics of tax execution in connection with the changes stated in the tax law (Act No. 280/2009 Coll.). Holub and Nemethová (2014) show the issues of establishing businesses; limited liability company cannot be started by a subject that has tax arrears or underpayments on taxes.

In some countries tax arrears relate to transfer to trade mechanisms in economy. Hamm et al. (2012) presents that in countries which realized programmes of mass privatisation, it was typical for newly privatized companies to accumulate tax arrears. Lukanson and Adresson (2019) deal in their work with the prediction of a company going bankrupt based on the height of tax arrears and figures of financial indicators. Their results show that information about tax arrears prove higher accuracy in prediction of a breakdown than financial indicators do. As Salayev (2019) presents, the transfer of Azerbajdzhan Republic to trade rules meant a need for essential reforms in the tax system. An effective mechanism for the collection of tax arrears was created and there was a significant decrease in number of tax debtors.

Reduction or eliminatin of tax arrears is an important task of the tax administration. Related to that are set mechanisms for tax collection, system of checking, recovery of tax arrears and the whole efficiency of tax administration. Moskvíčová (2010) refers in her research to basic causes of increase in tax arrears and following tax recovery. The main task is to ensure tax arrears recovery with minimal operation costs and maximalisation of the effect. Semenova et al. (2017) presents that the efficiency of tax administration in Russian federation is based on key indicators. They are the amount of arrears, performing of tax checking and increase in tax benefits as a result of tax checks. As Jain (2016) presents, efficient tax administration requires forming of professional frame of administrators. Thanks to this it is possible to have an efficient tax system and minimize tax arrears.

Given studies and other studies deal mainly with causes and impacts of the origins of tax arrears, tax evasion and tax gap. Assumed contribution solves possibilites of tax arrears recovery in the Czech Republic and the success rate of single methods of recovery. It is an unseparable part of a complex research of tax evasion and tax gap (mainly focused on VAT and corporate income tax).

2. Data and Methodology

Assessment of collection success rate is assembled based on data from Financial Administration of the Czech Republic. Data concerning tax arrears within the researched period 2011-2017 were acquired from the documents Information about activities of the tax administration office in the Czech Republic for relevant year. Data not available in the document above were acquired based on the law number 106/1999 Sb., on free access to information. Data show amount of cumulated tax arrears up to 31 December of relevant year. Tax arrears are recorded by financial administration according to selected types of income from the view of their significance influencing the tax collection (Table 1).

Table 1. Amount of cumulative tax arrears by single types of tax income within 2011-2017 in mil. CZK, own processing based on Financial Administration of the Czech Republic (2019).

Type of income	2011	2012	2013	2014	2015	2016	2017
Value added tax	68,725	82,505	96,527	73,951	75,566	37,318	33,202
Excese tax	935	968	904	565	468	19	11
Corporate income tax	19,109	21,872	21,155	14,354	13,344	7,759	8,127
Withholding tax	358	382	438	336	319	192	272
Road tax	1,521	1,614	1,692	1,488	1,324	739	530
Inheritance tax	10	10	9	10	8	6	5
Gift tax	159	148	136	116	60	34	22
Real estate transfer tax	3,209	2,962	2,844	2,204	1,818	1,101	722
Real estate acquisition tax	0	0	0	148	253	310	386

Personal income tax	14,284	13,737	12,298	9,745	8,234	4,548	3,506
Dependent activity income tax	3,974	3,811	3,679	2,795	2,429	1,312	1,026
Real estate tax	954	955	1,030	913	857	616	510
Levy from lottery § 41b (1)	0	12	32	28	26	32	3
Levy from lottery § 41b (2), (3), (4)	0	136	229	87	93	93	19
Hazard tax	0	0	0	0	0	0	1
Other income, levy and fees	3,767	4,649	7,064	3,859	3,058	1,780	1,981
Total of new tax	117,003	133,759	148,037	110,599	107,858	55,860	50,323
Total of old tax	1,819	979	903	6	0	0	0
Total	118,822	134,738	148,941	110,604	107,858	55,860	50,323
Annual growth	12,435	15,916	14,203	-38,336	-2,747	-51,998	-5,537

Data about recovered tax arrears were collected from Information about activities of the tax administration office in the Czech Republic within the researched period 2011-2017 (Financial Administration of the Czech Republic, 2019). The amount of total cumulated tax arrears, tax arrears to be recovered and recovered tax arrears are shown in Table 2.

Table 2. Tax arrears to be recovered and recovered tax arrears in billion CZK, own processing based on Financial Administration of the Czech Republic (2019).

	Cumulated arrears up to 31 December of relevant year	Tax arrears to be recovered on 31 December of relevant year	Recovered tax arrears on 31 December of relevant year
2011	118.8	83.4	5.8
2012	134.7	98.8	8.0
2013	148.9	111.4	7.5
2014	110.6	85.3	11.1
2015	107.9	91.4	11.9
2016	55.9	44.1	13.3
2017	50.3	37.3	13.6

Data about tax arrears to be recovered were grouped according to the method of recovery within single tax executions (tax execution through wages abatement, tax execution through ordering receivables on the account at the provider of payment services, tax execution through ordering a different receivable, tax execution through violating other property rights, tax execution through the sale of chattel and tax execution through the sale of immovable property). Also, groups of data about tax arrears recovery processes in the form of court execution and within the insolvency proceedings were created.

Every single form of tax arrears collection shows the amount of the total of arrears to be collected (CVN). With every single method of recovery there is the amount of tax arrears being recovered by that method (tax execution, court execution or as insolvency proceedings) (NV). Also, every method shows the amount of tax arrears that were collected with the method given (MN). Data for single methods is shown in Table 3 – Table 10.

To assess the success rate of single forms of tax arrears collection a separate analysis has been made. (Table 3 – Table 10). The success of tax arrears recovery is assessed individually with every method of recovery (as tax execution, court execution or insolvency proceedings).

The success rate is calculated as the share of arrears that were collected with the given method in arrears which were to be collected with the given method:

$$\text{Recovery success rate} = \frac{MN}{NV} \times 100 \text{ (in \%)} \quad (1)$$

The success rate of tax arrears collection is then calculated as a share of arrears that were collected with the given method in the total amount of arrears to be collected. (up to 31 December of the relevant year):

$$\text{Recovery success rate} = \frac{MN}{CVN} \times 100 \text{ (in \%)} \quad (2)$$

3. Results

Success rate of the tax arrears recovery differs according to the method of the recovery. The most common recovery is tax execution. Several execution titles are used within the tax execution.

3.1. Recovery of tax arrears through tax execution

Tax execution having impact on the wages of the debtor is widely spread with tax arrears that concern lower amounts. A big group which belongs to incomes violated in this way of execution are also retirement pensions. Regarding the heights of retirement pensions are the execution payments in benefit of the tax administrator low or zero. During the researched period tax arrears recovered through tax execution as wages abatement amounted to 31,443 mil. CZK. The total recovered in the researched period was 1,248 mil. CZK. Success rate of the recovery (share of recovered arrears through wages abatement in arrears being recovered by this method) was on average 3.97 %. The highest success was recorded in 2017 at the rate of 8.85 % (Table 3).

Table 3. Overview of the recovery by tax execution through wages abatement in mil. CZK, own processing based on Financial Administration of the Czech Republic (2019).

Year	2011	2012	2013	2014	2015	2016	2017
Tax arrears to be recovered in total (CVN)	83,400	98,800	111,400	85,300	91,400	44,100	37,300
Tax arrears to be recovered through wages abatement (NV)	5,003	5,268	5,105	5,382	5,562	2,964	2,159
Tax arrears recovered through wages abatement (MN)	211	176	147	164	178	181	191
Recovery success rate (MN/NV)	4.22%	3.34%	2.88%	3.05%	3.20%	6.11%	8.85%
Recovery success rate (MN/CVN)	0.25%	0.18%	0.13%	0.19%	0.19%	0.41%	0.51%

Tax execution affecting accounts of tax debtors at providers of payment services (banks) is the fastest and the most efficient of all types of execution procedures. This method of tax execution is influenced by low balance on the accounts of the debtor, where the debtor has their finance saved on a foreign bank account which is not affected by this execution. During the researched period were the tax arrears recovered by tax execution through ordering receivables from the account at the provider of payment services in the amount of 73,086 mil. CZK. In total 17,404 mil. CZK was recovered in the researched period. The success rate of the recovery, meaning the share of the recovered arrears by tax execution through ordering receivables from the account at the provider of payment services in arrears to be recovered in this way, was on average 23.81 %. The highest success rate was found in 2017 and it was 9.10 % (Table 4).

Table 4. Overview of the recovery by tax execution through ordering receivables from the account at the provider of payment services in mil. CZK, own processing based on Financial Administration of the Czech Republic (2019).

Year	2011	2012	2013	2014	2015	2016	2017
Tax arrears to be recovered in total (CVN)	83,400	98,800	111,400	85,300	91,400	44,100	37,300
Tax arrears to be recovered through ordering receivables from the account (NV)	7,177	8,934	13,555	8,579	16,886	8,966	8,989
Tax arrears recovered through ordering receivables from the account (MN)	2,637	1,898	1,778	2,299	2,609	2,788	3,395
Recovery success rate (MN/NV)	36.74%	21.24%	13.12%	26.80%	15.45%	31.10%	37.77%
Recovery success rate (MN/CVN)	3.16%	1.92%	1.60%	2.70%	2.85%	6.32%	9.10%

With the efficacy of the tax rulings the tax administrator has been given a possibility to use in tax execution the institute of violating other monetary receivables. Such receivables are not paid and mature or in the future mature obligations towards the tax debtor. The tax execution through ordering other receivables can be used by the tax administrator only in such case when he/she has necessary not paid invoices or agreements, which clearly show the obligation to pay in benefit of the payer. In the researched period were the tax arrears to be recovered through tax execution by ordering other receivables, 19,651 mil. CZK. The success rate of recovery, meaning the share of recovered arrears through tax execution through ordering other receivables, to be recovered in this form, was on average 7.81 %. The highest success rate was found in 2017 which was 0.6% (Table 5).

Table 5. Overview of recovery by tax execution through ordering other receivables in mil CZK, own processing based on Financial Administration of the Czech Republic (2019).

Year	2011	2012	2013	2014	2015	2016	2017
Tax arrears to be recovered in total (CVN)	83,400	98,800	111,400	85,300	91,400	44,100	37,300
Tax arrears to be recovered through ordering receivables (NV)	1,409	1,653	2,957	1,970	1,890	1,002	8,77
Tax arrears recovered through ordering receivables (MN)	301	220	202	134	217	237	224
Recovery success rate (MN/NV)	21.36%	13.31%	6.83%	6.80%	11.48%	23.65%	25.54%
Recovery success rate (MN/CVN)	0.36%	0.22%	0.18%	0.16%	0.24%	0.54%	0.60%

Another possible way of tax arrears recovery is tax execution through ordering other property rights. This way is only used in small amount. It is important here to get relevant input from tax entities or from third parties that have such input. The success rate within this type of execution was in single years of the researched period very different (0.44% in 2013 versus 68.75% in 2016). The share of recovered tax arrears in the total of arrears to be recovered is in hundredths or thousandths of per cent (Table 6).

Table 6. Overview of tax arrears recovery through ordering other property rights in mil. CZK, own processing based on Financial Administration of the Czech Republic (2019).

Year	2011	2012	2013	2014	2015	2016	2017
Tax arrears to be recovered in total (CVN)	83,400	98,800	111,400	85,300	91,400	44,100	37,300
Tax arrears to be recovered through ordering other property rights (NV)	75	82	229	172	169	16	13
Tax arrears recovered through ordering other property rights (MN)	17	19	1	11	10	11	2
Recovery success rate (MN/NV)	22.67%	23.17%	0.44%	6.40%	5.92%	68.75%	15.38%
Recovery success rate (MN/CVN)	0.02%	0.02%	0.00%	0.01%	0.01%	0.02%	0.01%

Tax execution through the sale of debtor's chattel affects the property of the debtor. Ordered property executions are influenced by the fact that the entity is have-not or that the confiscated chattel cannot be sold. The form of such execution is influenced by the fact that potential objects of execution are obtained in the form of financed leasing or on credit, which is covered by the agreement about transfer of ownership right, possibly by the fact that the tax entity is have-not by the fact that the confiscated chattel cannot be sold. Within the researched period the tax arrears to be recovered through tax execution through sale of debtor's chattel were in the amount of 6,438 mil. CZK. The total recovered in this period was 1,040 mil. CZK. The success rate of the recovery, meaning the share of arrears to be recovered through tax execution through ordering of a different receivable in the arrears to be recovered in this way, was on average 15.59 %. The highest success rate of 33.44% was recorded in 2017 (Table 7).

Table 7. Overview of tax arrears recovery through the sale of chattel in mil CZK, own processing based on Financial Administration of the Czech Republic (2019).

Year	2011	2012	2013	2014	2015	2016	2017
Tax arrears to be recovered in total (CVN)	83,400	98,800	111,400	85,300	91,400	44,100	37,300
Tax arrears to be recovered through sale of chattel (NV)	1,095	1,048	1,506	552	717	904	616
Tax arrears recovered through sale of chattel (MN)	140	95	81	135	154	193	206
Recovery success rate (MN/NV)	12.79%	9.06%	5.38%	24.46%	21.48%	21.35%	33.44%
Recovery success rate (MN/CVN)	0.17%	0.10%	0.07%	0.16%	0.17%	0.44%	0.55%

Tax execution through the sale of immovable property affects the property of the debtor and is a firm interference into their property rights. In many cases the arrear was paid immediately after the execution order had been issued. Its consequence is lower proceeds from arrears being recovered in contrast to executions of chattel. Within the researched period were the tax arrears to be recovered through tax execution through immovable property of the debtor in the amount of 10,355 mil. CZK. The total of arrears recovered was 519 mil. CZK. The success rate of the recovery, meaning the share of arrears recovered through tax execution through the sale of immovable property of the debtor in the amount to be recovered in this way, was on average 5.01%. The highest success rate of 0.35 % was recorded in 2017 (Table 8).

Table 8. Overview of tax arrears recovery through the sale of immovable property in mil. CZK, own processing based on Financial Administration of the Czech Republic (2019).

Year	2011	2012	2013	2014	2015	2016	2017
Tax arrears to be recovered in total (CVN)	83,400	98,800	111,400	85,300	91,400	44,100	37,300
Tax arrears to be recovered through sale of immovable property (NV)	1,421	1,687	1,908	1,492	1,675	1,142	1,030
Tax arrears recovered through sale of immovable property (MN)	71	41	38	85	68	87	129
Recovery success rate (MN/NV)	5.00%	2.43%	1.99%	5.70%	4.06%	7.62%	12.52%
Recovery success rate (MN/CVN)	0.09%	0.04%	0.03%	0.10%	0.07%	0.20%	0.35%

3.2. Tax arrears recovery through court execution

Tax arrears recovery through court executors is used by the tax administrator only in rare cases, regarding the provision § 175 odst. 2 Tax Law, which burdens the principle of proportionality of the costs connected with the execution (Information about the activity of the tax administration of the Czech Republic in 2017). Within the researched period the tax arrears to be recovered by court executors were 151 mil. CZK. The total of arrears recovered was 23 mil. CZK. The success rate of the recovery, meaning the share of the recovered tax arrears through court executors was on average 15.19%. The highest success rate of 0.03 % was recorded in 2017 (Table 9).

Table 9. Tax arrears to be recovered by court executors in mil. CZK, own processing based on Financial Administration of the Czech Republic (2019).

	2011	2012	2013	2014	2015	2016	2017
Tax arrears to be recovered in total (CVN)	83,400	98,800	111,400	85,300	91,400	44,100	37,300
Tax arrears to be recovered by court execution (NV)	18	21	25	12	26	25	24
Tax arrears recovered by court execution (MN)	2	5	1	2	1	2	10
Recovery success rate (MN/NV)	10.11%	25.84%	2.42%	15.70%	4.63%	8.70%	40.83%
Recovery success rate (MN/CVN)	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.03%

3.3. Recover of receivables in insolvency proceedings

Insolvency proceedings are legal proceedings which solve bankruptcy or imminent bankruptcy. Proceeds from the claimed arrears in insolvency proceedings are in long term very low. The reason for this is not only the time length of the insolvency proceedings, but also the value of debtors' property. The amount of the supply is also influenced by ensuring arrears through the pledge, which stands higher in allocation scheme. Within the researched period the tax arrears to be recovered through insolvency proceedings were of 92,500 mil. CZK. The total amount recovered in this period was 1,732 mil. CZK. The success rate, meaning the share of recovered tax arrears through insolvency proceedings and tax arrears to be recovered in this way, was on average 1.87%. The highest success rate of 0.99% was found in 2017 (Table 10).

Table 10. Overview of receivables in insolvency proceedings in mil. CZK, own processing based on Financial Administration of the Czech Republic (2019).

	2011	2012	2013	2014	2015	2016	2017
Tax arrears to be recovered in total (CVN)	83,400	98,800	111,400	85,300	91,400	44,100	37,300
Tax arrears to be recovered in insolvency proceedings (NV)	16,500	19,200	20,900	13,300	11,600	6,000	5,000
Tax arrears recovered in insolvency proceedings (MN)	284.4	124.9	174.2	175.7	252.9	391.1	328.8
Recovery success rate (MN/NV)	1.72%	0.65%	0.83%	1.32%	2.18%	6.52%	6.58%
Recovery success rate (MN/CVN)	0.34%	0.13%	0.16%	0.21%	0.28%	0.89%	0.88%

3.4. Depreciation of tax arrears

A big problem when recovering tax arrears is a partial enforceability or uncollectibility of tax arrears. The development of tax arrears recovered is every year influenced by the amount of realized depreciations for uncollectibility. Among the main reasons why arrears cannot be collected belongs mainly the fact that debtors have no property or are indebted too much, the property cannot be found, the debtor died without legal successor, the company entered its liquidation process. Within the researched period were the depreciations of tax arrears for uncollectibility 467,1 mil. CZK. The total of 169,9 mil.CZK was depreciated for preclusion reasons and 36,2 mil.CZK for the rights expiration right. (Table 11).

Table 11. Depreciations of tax arrears for uncollectibility, preclusion and expiration in billion CZK, own processing based on Financial Administration of the Czech Republic (2019).

	2011	2012	2013	2014	2015	2016	2017
Depreciations for uncollectibility	8.9	19.6	24.5	71.5	56.9	165.2	120.5
Preclusion	4.0	15.4	20.3	21.1	19.3	56.2	33.6
Expiration	4.7	21.2	6.2	1.9	0.9	0.6	0.7

4. Discussion

The success rate of tax arrears recovery is dependent on a range of factors, including the method of recovery. Tax executions through wages abatement are most often ordered with low arrears. Such process of execution is with high arrears long and the output is very low. Leading executions on wages can often be complicated by the fact that the employer pays a part of the wages in the minimal legal amount and another part outside the wages evidence. It also happens that an employer employs a debtor without a labour contract and such work relationship cannot be found. The cause for low output is leading of more executions for receivables of other creditors which makes it impossible to satisfy with execution wages abatement other entitled creditors (Information about activities of the tax administration office in the Czech Republic within the period 2012). Tax execution violating accounts of tax debtors they have with providers of payment services is the fastest and the most efficient of all types of execution processes. However, it is influenced by low balances left on the affected accounts and the fact that the tax entity has wherewithal on a foreign account, which is untouchable by such execution (Information about activities of the tax administration office in the Czech Republic within the period 2013).

Results of analyses show that mainly in 2016 and 2017 there was an increase in success rate with most methods of the tax arrears collection. Changes in some norms and regulations could lead to further increase in the success rate. The issue is mainly the decrease in cumulated tax arrears, being the borderline for issuing of the unreliable payer declaration within value added tax. To change the norms, it is also possible to use experience from other countries solving similar problems. In 2017 in Slovakia a crime called "unfair liquidation" has been implemented. This crime is committed by a person

who transfers its participation on a new agent and the one who accepts it or has mediated the transfer. The legislative administration tries to prevent the transfer of statutory organ participation in a business company on the so called white horses, who have no intention to conduct business any further, but lend their name to the transfer of rights and duties in such way that the original statutory organ is not forced to maintain and pay for company obligations. Orlova et al. (2019) in her study suggests that for the tax administration purposes it would be convenient to use classification of tax debt according to the type of organisation - debtors, including types of economic activity, which would lead to better performance of tax offices when collecting tax debts. She also mentions usage of systems as tax debt prevention, for example: reorganisation, liquidation, fusion and company division.

New software equipment seems to be important for better success in collection. Foreign experience with updating information systems in financial administration could be used here. According to the study published in 2016 "the Irish method" would be suitable. It is assessed in EU as one of the best and for the conditions of the Czech financial administration it was reviewed as relevant (Financial Administration of the Czech Republic 2016). The benefit can be seen mainly in significant cost cut, modern user interface and support of automatization processes of financial administration.

5. Conclusions

Development of tax arrears within the researched period recorded in 2011-2013 a rise to 148,941 mil. CZK. Then, there was a decrease in tax arrears which fell to 50,323 mil. CZK and mainly by making real arrears to be recovered in the form of depreciation for incollectibility. Tax arrears to be recovered ranged from 70.20 % up to 84.71 % out of the total arrears in evidence for single years. The rate depending on the speed of transfer to recovery, recognizing debtor's property that can be executed and start of the execution through an execution order.

From the analysis activities pursued within tax arrears recovery it has been found out that out of the total of arrears to be recovered in the total of 551,700 mil. CZK, an amount of 26,472.20 mil. CZK was recovered, which means success rate of 4.80 %. Out of 256,554.60 mil. CZK arrears to be recovered or used in other proceedings the success rate was 10.32 %. The highest share in recovered tax arrears was recorded with tax execution through ordering receivables on the account by the provider of payment services, which violated accounts of tax entities. A total of 17,404 mil. CZK was recovered by this method. The share of recovered arrears in arrears to be recovered by this method of tax execution was 23.81 %. The share of arrears recovered by the given method in the total of arrears to be recovered was 3.15 %. The least output was gained from tax execution through ordering of other property rights. This type of execution was recovering 756 mil. CZK with the return of 71 mil. CZK.

Tax arrears recovery through court executors is an area which is, with the regard to the possibilities of tax administrator's tax arrears recovery, used only in rare cases. The volume of receivables which was used from the side of the tax administrator during the insolvency proceedings amounted to 1,732 mil. CZK in the researched period. Regarding the receivables reported in the amount of 92,500 mil. CZK was the return 1.87 %.

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