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Veränderungen in Wirtschaftszweigen



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Vorwort

Nach 12 Jahren partnerschaftlicher Zusammenarbeit wird nunmehr der 9. Band mit Forschungsergebnissen in Zusammenarbeit mit Partnereinrichtungen des Berliner Forschungsinstituts und der ukrainischen Wirtschaftsuniversität in Ternopil vorgelegt. Die Mehrzahl der Autoren kommt aus der Ukraine. In „Ukraine unter Entscheidungszwang. Veränderungen in Wirtschaftszweigen“ werden in 18 Beiträgen durch 26 Autoren Forschungsergebnisse vorgestellt, teilweise finanziert durch die Universitäten und Forschungsinstitute, aber auch durch internationale Forschungsförderung. Die Artikel sind in der durch die Autoren gewählten Sprache (Deutsch oder Englisch) verfasst.

Unter dem Eindruck der ukrainisch-russischen Konflikte mit der Unterzeichnung des Assoziierungsabkommens zwischen der EU und Ukraine wird die Betrachtung einiger Wirtschaftszweige durch ukrainische Wissenschaftler zu aktuellem Interesse. Während es jahrzehntelang in der Mehrzahl der Forderungen aus wissenschaftlichen Analysen um Fragen der „Vervollkommnung“ ging, vermehren sich nun die Stimmen, die „Veränderungen“ fordern. Auf die Wirtschaftsstruktur der Ukraine verstärkt sich der Druck für Veränderungen. Wenn früher durch Forscher Vervollkommnungen im Sinne einer Verbesserung des Bestehenden mit wissenschaftlichen Argumenten gefordert wurden, so sind es heute die sich verändernden Umweltbedingungen für die ukrainischen Wirtschaftszweige, die Veränderungen erforderlich machen und die Wissenschaftler vor neue Herausforderungen stellen. Hauptsächlich werden einige Aspekte im Finanzbereich untersucht, aber auch im Bereich der Luftfahrt, der Energiewirtschaft, Tourismus und anderen Bereichen und die Ergebnisse vorgestellt.

Die Publikation der Beiträge erfolgt durch das Forschungsinstitut der Internationalen Wissenschaftlichen Vereinigung Weltwirtschaft und Weltpolitik e.V. Berlin in seiner Schriftenreihe „Europäische Integration. Grundfragen der Theorie und Politik“ Band 39 auf der Grundlage des im Dezember 2008 geschlossenen Vertrages über Partnerschaft und Zusammenarbeit auf dem Gebiet wissenschaftlicher Forschungen und Veröffentlichungen zwischen dem Forschungsinstitut der Internationalen Wissenschaftlichen Vereinigung Weltwirtschaft und Weltpolitik e.V. Berlin und der Nationalen Wirtschaftsuniversität Ternopil (Ukraine). Mit dem vorliegenden Band „Ukraine unter Entscheidungszwang. Veränderungen in Wirtschaftszweigen“ wird nunmehr die neunte Publikation nach 2008 (Band 15 „Östliches Europa und

Visionen paneuropäischer Entwicklung“), Frühjahr 2010 (Band 19 „Dynamische Prozesse in der europäischen Wirtschaftslandschaft“), Herbst 2010 (Band 24 „World Economy - Problems and Processes“), 2012 (Band 28 „Globale und länderspezifische sozio-ökonomische Effekte“), Frühjahr 2013 (Band 32 „Platzbestimmung Osteuropas in der sozio-ökonomischen Globalisierung“), Herbst 2013 (Band 34 „Analysen und Ansichten zur Wirtschaftsentwicklung in der Ukraine. Eine Sicht ukrainischer Forscher zu Theorie und Praxis“), Frühjahr 2014 (Band 35 „The world economy. Global and country-specific aspects“) und im Herbst 2014 (Band 38 „Regionen unter den Bedingungen tektonischer Verschiebungen im europäischen Wirtschaftsraum“) im Rahmen dieser Vereinbarung vorgelegt.

Die Koordination der Beiträge mit den Autoren lag in den bewährten Händen von Prof. Dr. Yevhen Savelyev, Lehrstuhlleiter für Internationale Wirtschaft an der Nationalen Wirtschaftsuniversität Ternopil. Ihm sei für seine Unterstützung bei der Erstellung des vorliegenden wissenschaftlichen Sammelbandes herzlich gedankt.

Für die inhaltliche und sprachliche Qualität der Darstellungen sind die Autoren selbst verantwortlich. Redaktionelle Veränderungen wurden nur soweit vorgenommen, wie es für die technische Gestaltung des Bandes erforderlich war.

Wilfried Trillenberg

Berlin und Ternopil, November 2014

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Andriy Krysovaty

Peculiarities of the European Tax Harmonisation

The integration processes are paid much attention in economics. This is due to the positive practice of the European integration, its acquiring a new quality level for the latter decades. Throughout its history, the European economic integration has been developing in two directions, namely: ever growing integration of national economies into a single regional economy and the territorial expansion of integration.

In its turn, expansion of integrated association strengthens its economic potential, attracting new members, etc. [2; 15]. However, at different stages the integration processes had their own peculiarities; gradually a supranational legal framework was formed for "convergence" of the tax mechanisms of the European integration members, that is, the tax harmonization evolved.

The issue of the tax harmonization arose in the time of a common coal and steel market creation (1951). However, within this market it was impossible to agree the ways of national tax systems convergence. The Agreement on the establishment of the common market [21] included only indirect reference of taxes: according to article 4 the use of discriminatory tax measures was prohibited as one of the instruments of internal adjustment.

The Treaty of Rome on the EEC establishing of 25 March 1957 [22] included a separate section on taxes (articles 95 -99). Nevertheless, its provisions were dedicated specifically to indirect taxation, which directly affects the trade flows, and they were concentrated on general principles. In particular, it was prohibited to tax the goods imported from the countries- participants of the integration formations, to levy internal taxes in a greater amount than domestic goods, as well as to return when exporting larger sums of taxes than those that were actually paid. Article 99 empowered the Euro-Commission to develop proposals for the harmonization of indirect taxes in the interests of the common market. In addition, according to the Treaty of Rome in 1968 there was abolished the duty on mutual trade between the EEC participants (the common customs tariff was applied for the third countries).

The First EEC Council Directive of 67/227 [5] was adopted in April 1967 on the transition till January 1, 1970 of the European integration participants to common system of value added tax, which became the main indirect tax within the EEC (previously a number of the Community countries applied the tax on sales). According to that Directive the countries intending to join the Common Market, had to introduce VAT. The adoption of the First Directive was an important step towards the elimination of tax barriers for economic cooperation of the EEC countries and the harmonization of indirect taxation.

However, the process of tax harmonization went on with rather more serious complications. In particular, in 1972 the first proposals were developed for the harmonization of the structure of excise taxes on beer, wine and spirits, but their implementation did not succeed. In 1969 the Euro-Commission submitted to the Council proposals concerning adoption of the Directives on parent companies, subsidiaries, and on mergers (they provided for the harmonization of certain corporate tax collection mechanisms). Those proposals also did not find practical implementation [14; 213, 287].

The first enlargement of the European integration structures (1973) occurred after the EEC had completed the formation of a Customs Union and decided to create the EMS (1970). Denmark and the UK entering the Customs Union were economically advantageous both for themselves and for the Community. Those two countries were at approximately at the same level of social and economic development as the EEC-6. The third country, Ireland notably was behind the first two and the "six" in terms of economic development, and it used almost twice as high duties on manufactured goods as the EEC-6 did. It made a lot of difficulties for Ireland. But the latter had no choice because of its economic dependence on Great Britain. Economists predicted only troubles for Ireland. Nevertheless, it was just this country that was able to maximum use the benefits of the European integration, and became the only example in the last three decades of "economic miracle" in Europe. Ireland started its economic breakthrough in 15 years after joining the EEC. In 1987 – 1995 its average annual growth of GDP was 5.7% against 3.4% in the EU. After a three-year break caused by the crisis in the global economy, the country demonstrated impressive rates of economic growth: in 1994 - 2000 -8.2% against 2.4% in the EU-15, and 3.7% in the United States.

Before the 2008-2009 crisis Ireland ranked second in the EU (after Luxembourg) in

terms of GDP per capita. In 2007 GDP per capita in Ireland was 40.8 thousand US dollars, in Luxembourg it made -73.9 thousand US dollars while the average in the EU-15 -35.3 thousand US dollars. [24]

Of particular note is the fact that a significant impact on economic integration immediately was made by Great Britain. While becoming a party of founded in 1979 the European Monetary System, two years later it released from mechanisms of exchange rate regulation acting within its framework. In 1984 the country achieved the compensation payments from the Community budget because it paid more revenue than received in return (no other country received such a compensation). The United Kingdom agreed to sign the Treaty on the European Union (1992) specifically on the condition not to participate in the final stage of the EMU formation [2; 17]. In late 90-ies of the last century, Britain actively opposed the harmonization of corporate taxation (in particular, including its rates) [8].

However, the role of the UK should not be exaggerated as a brake in the process of integration deepening. In general, the European integration developed on the basis of the strategy, which was reflected in the Treaty of Rome, and in three and a half decades – in the Maastricht Treaty. The implementation of the concept of integration "at different speeds" allowed moving forward without waiting for it's those participants who were not willing to further limitation of their sovereignty. Although, of course, this has created additional obstacles to the development of tax harmonization.

Four years later after the first enlargement of the European integration formation the Sixth Directive (the EEC Council Directive of 77/388 of 17 May 1977) was adopted which provided the next step towards the VAT harmonization, i.e. the harmonization of its key elements, namely: the definition of taxpayers; transactions subject to taxation; VAT tax liabilities; tax base; rules governing the deductibility of liabilities; responsibilities of taxpayers; public simplified tax regimes for certain groups of taxpayers [14; 247]. The adoption of that Directive has ensured the removal of a number of barriers on the way of bilateral trade for the common market participants, creating conditions for strengthening the economic potential of integration association.

In addition, it was just the VAT, that had become the main source of the EEC "own resources" formation (since 1975 the Community deducted to its budget 1% of its

taxes collected throughout its territory, since 1986 - 1.4% of this amount) [14;248]. Other sources of the "own resources" formation were identified as follows: agricultural taxes (on certain imported and exported products while trading with the third countries); anti-dumping and countervailing duties (with reference to the third countries); tax on personal income of the EEC (EU) staff.

The second (1981) and the third (1986) extension of the European integration could not prevent its further deepening. The economic and political role of Greece, Portugal and Spain was too small to produce an effect on the implementation of the programs of the Community development. Accession of Greece produced almost no effect on the functioning of the European Monetary System, which had been established a little more than a year prior to this event. Similarly, the joining of the Pyrenees countries was not reflected on the process and on time of performance (up to 1993) the program adopted the year before concerning the completion of the transition to a common domestic market.

However, the participation of three new countries in a single internal market strengthened its heterogeneity, which created additional obstacles to free movement of goods, services, capital and labor. In addition to the EU regulations which should ensure these "four freedoms", the functioning of a single internal market is affected by other factors, namely: administrative practice, the state of economic infrastructure, monitoring compliance with environmental, health and other standards, scope and role of the shadow economy, culture of market relations, etc. [2;18].

Unlike the first expansion of integration, which was motivated by both economic and political interests of the "six" and the "three", this time the Community was guided primarily by political aims, including: the admission of the three countries which were recently deprived from dictatorial regimes and were seen as a guarantee of their future democratic development. That required payment, thus, Greece, Spain and Portugal, like Ireland, received aid from the EEC financial institutions. With respect to the GDP of these countries the average amount of financial aid was 1.8; 0.8; 2.3 and 1.7%, respectively. [25]

Apart from financial injections, the actions of the Irish and Greek governments concerning the effectiveness of their economic policies personified polar examples. In the 80s and early 90s of the past century, the European Commission repeatedly

criticized Greece for its failure to curb inflation, which ranged within 13.5 - 24.7%, as well as for the huge budget deficit, which in 1982- 1995. averaged 11% of GDP.[26] The economic growth rate in Greece was generally lower than in the whole Community. Only, after Greece had adjusted its economic policy in early 90-s the trend was reversed. Spain and Portugal have avoided such conflicts their economic growth rates were higher than average in the EU-12. However, before the 2008 – 2009 crisis the noted three countries were the least developed in the EU-15. In 2007 GDP per capita made in Greece 26,4 thousand US dollars, in Portugal -22,1 thousand US dollars against 35,3 thousand US dollars in the EU-15. [27]

The most important conclusion to be drawn from a comparison of the GDP dynamics growth in the EU-15 with the so-called average developed economy is that the European integration is not a panacea. The way how the country uses the potential benefits of participation in a common domestic market largely depends on itself.

Increased heterogeneity of the integration formation and economic policy failures of its certain members, who hindered the convergence of economic development of the Community countries, complicated the process of tax harmonization. The latter was aimed primarily at eliminating tax barriers to trade for the EEC countries. During the third expansion of integration the Thirteenth Directive (EEC Council Directive of 86/560 of 17 November 1986) was adopted, which regulated the VAT refund to economic agents not established on the territory of the Community.

The impetus for the formation of more active supranational legal base for the "convergence" of tax mechanisms of the integration participants was the completion of the single internal market formation, which was scheduled for 1993. So, in order to create favorable conditions for integration deepening and intensification of cross-border investment activity, in 1990 two following Directives were approved on corporate taxation harmonization, which entered into force in 1992, namely: the EEC Council Directive of 90/434 on the common system of taxation applicable to mergers, division, transfer of assets and exchanges of shares when the companies are within the jurisdiction of different participating countries, and the EEC Council Directive of 90/435 on the common taxation system applicable to parent and subsidiary companies, which are under jurisdiction of different participating countries. These Directives have eliminated the possibility of multiple taxation of transnational companies' profits at the expense of the integration formation countries' compliance with a number of tax rules by the countries where the parent

companies are located [12].

In 1990 there was adopted the Convention on the elimination of double taxation in connection with the adjustment of associated persons profits (Arbitration Convention). This Convention regulated mechanisms of avoiding double taxation, and facilitated the search of mutually acceptable disputable solutions that arise between the tax authorities of the EEC (EU) countries when assessing the assets of affiliated persons and merging companies [12].

In 1991 the EEC Council Directive of 91/680 was adopted on the supplementing a single system of value added tax and amending the EEC Directive of 77/388 with a view to the abolition of tax frontiers. The Directive provided for the use of the transitional regime of trade VAT for the integration parties based on the principle of a certain country (import taxation and VAT exemption for exports), and rejection of physical control at internal borders as the basis of tax control. Operational control was made on the basis of statistics of trading operations in the EEC (EU) [14; 261].

In 1992 there was adopted a number of Directives that provide for harmonization of specific excise duties, namely: the EEC Council Directive of 92/12 on general arrangements for excise goods, storage, turnover and monitoring of those products; the EEC Council Directive of 92/79 on the approximation of excise rates on cigarettes; the EEC Council Directive of 92/80 on the convergence of excise rates on tobacco products other than cigarettes; the EEC Council Directive of 92/83 concerning the harmonization of the structure of excise duties on alcohol and alcoholic beverages; the EEC Council Directive of 92/84 on the convergence of excise rates on alcohol and alcoholic beverages; the EEC Council Directive of 92/81 concerning the harmonization of the structures of excise taxes on petroleum products; the EEC Council Directive of 92/83 on the convergence of the rates of excise taxes on petroleum products. These Directives outlined the basic principles of the excise taxation in the territory of the European integration, i.e.: the definition of a harmonized tax structure (range of products); setting of minimum tax rates of excise goods under condition that the countries can introduce the national rate exceeding their minimum level; application of unified rules for calculation and collection of excise taxes; definition of mandatory requirements for production, processing, storage and sale of excisable goods within the Community; establishing requirements for the application of reduced rates of excise and harmonized list of tax exemptions [14; 287].

One of the goals of harmonization of excise duties was to improve the competitive environment for manufacturers of excisable goods within the Community and to prevent the mass purchase of these goods by nationals of the countries with a high level of excise taxation in countries with low rates of excise. Moreover, the adoption of these Directives has inspired many participants of integration to review their lists of excisable goods. In particular, Germany in 1992 abolished the specific excise taxes on salt, tea and sugar [13].

With the Maastricht Treaty (1993) [23] entry into force there was already mentioned renaming of the European Community into the European Union, as well as an important step was taken towards deepening of economic integration, that is the work started on the EMS building and on the introduction of the single European currency until January 1, 1999.; among the conditions for membership in the EMS herein stated in particular national debt non- exceedence 60% of GDP, and its budget deficit - 3% of GDP.

The fourth extension of the European integration formation was the most natural, organic and unproblematic. In 1995 three countries - Austria, Finland and Sweden, who were about at the same level of social and economic development as the "six" joined the EU.

In 1998 the European Central Bank (ECB) was established It was responsible for the conducting of the single monetary policy. The latter is based on the principles of the German Federal Bank (Bundesbank): the provision of the really independent and stable value of money. In the opinion of many analysts, the euro and the single monetary policy had a stabilizing effect on the economies of the EMS and the ECB's actions marked by the efficiency as to the curb of the inflation and exchange rate policy [4; 5 - 6].

The fiscal (including tax) policies of EMS remain the prerogative of the national governments. It was only stipulated that sideways EU Council and the EuroCommission control and preventing at the initial stage of the excessive deficit and economic policy coordination, the EMS members have developed the stabilization programs, and countries-applicants – the convergence programs. Such coordination was limited to the monitoring and recommendations sideways the governing bodies of the EU.

A particular problem of the fiscal policy coordination was the adhering of the provisions of the Stability Pact and growth (adopted in 1997) as the basis of the macroeconomic convergence within the EMS. The written in the Pact means and sanctions against the violators of the budget discipline is quite strict. But they do not act automatically (none country-offender has not paid the fee). The discussion on the adhering of the Pact requirements while the conjuncture worsening became sharp in 2001 - 2003. The thing is that the criteria for the stability of the euro concerned primarily the fiscal sphere, and the national governments are not always willing to the limitations in the manipulation of the revenues and expenditures to achieve the goals which are within the competence of the ECB. This conflict of interests gradually deepened, many countries have repeatedly violated the Maastricht criteria.

However, the criticism of the stability and growth hides the fact that by 2000 the EMS countries have achieved the progress in balancing the budget. If in 1996 the budget deficit in the countries which later joined the EMS, exceeded 4%, in 2000 it was less than 2%. The fiscal consolidation was accompanied by the low inflation, the lower ratio of the public debt in GDP [4; 6 - 7]. However, the Maastricht Treaty limits concerning the amounts of the budget deficit and public debt made it impossible to avoid the aggravation of the debt situation in many countries of the EMS during and after the recession of 2008-2009. In 2008 the Pact was amended towards the easing of the budgetary discipline, and in 2011 – the changes which provide the limits for the structural deficit in the amount of 1% of GDP [1].

In 1995 - 2003 two directives were adopted. They concerned the further harmonization of the specific excise duties: the Council Directive 95/59 / of EU of 27 November 1995 on taxes other than the turnover taxes which affect the consumption of the tobacco products [6]; the Council Directive 2003/96 / of EU of 27 October 2003 on restructuring of the Community framework for the taxation of the energy products and electricity [17]. The first of these directives included the gradual convergence of the excise taxation of the tobacco products to reduce the level of the price differentiation for these products in the EU caused by the national characteristics of the excise taxes imposing; the second - has made the quite significant changes to the harmonized system of the excise taxation of the energy products, regulating the inclusion to the list of the harmonized excisable goods of electricity, aimed at the improvement of the competitive environment in the EU energy market, promoting the energy efficiency and preventing the worsening environmental problems.

At the same time, the harmonization of the corporate tax was more and complicated. Offered in the mid 90s of the last century, the transition to a unified system of the corporate taxation, which included, the establishment of the minimum tax rate, ran into the serious opposition sideways the number of EU countries (first of all, as it was noted in the UK), without finding a practical implementation. Instead, it was decided that the harmonization of the taxation of profits may only refer to the specific steps toward avoiding of the unfair tax competition. It was then announced that the harmonization of rates of the other direct tax - a tax on personal income is not necessary for the effective functioning of the single home market. [8]

In 2003, after the continuous discussions, the following was agreed: Council Directive 2003/48 / EU on the taxation of savings income in the form of the interest (to eliminate the tax distortions and ensure a minimum level of the effective taxation of savings income); Council Directive 2003/49 / EU on the common system of taxation, which is applied to the interest payments and royalties between the related parties, which are within the jurisdiction of the different EU Member States (to ensure the single taxation of the interest payments) [14; 215 - 216].

The fifth and sixth EU enlargement significantly differs from all previous ones. Thus, for the first time the integration formation almost simultaneously includes (in 2004 and 2007) 12 countries, as a result of which it's staffing almost increased twice. There were no precedents of integration of the new EU countries with the considerable lag in terms of economic development of the EC-6. In 2004 GDP per capita in the post-socialist EU countries averaged 14.6 thousand US dollars and in the EU-6 - 36.8 thousand. US dollars. [28] In addition, for the first time joined the EU countries (except Cyprus and Malta), which only in 1990 began the transition from the command and administrative economy to the market ones and from a communist dictatorship to democracy. Although in general this transition took place, opening their way to the European integration, the market economy, rule of law and civil society in these countries has not been completed. Even at the highest level it was noted that this extension is a political imperative for the EU [16; 251].

There is an opinion that the EU-15 had too optimistic imagination of the economic price of the integration spreading into the East. This is not entirely true. For the first time the expansion was preceded by a long preparatory period established by the European Council in 1993, which adopted the criteria for admission of candidates to the EU. For the most of them the implementation of the pre-accession program lasted

about 11 years, and for Bulgaria and Romania - more than 14 years.

Of course, from the EU budget funds to promote the economic and political reform in the new EU countries were allocated. In 1990-2002 by the Program PHARE 14 billion ecu/euro were used; in 1990 – 1999 the European Investment Bank has provided the loans to the new EU member states in the amount of 11.1 billion eur EU budget for 2004 - 2006 grants for the countries which have joined the integration in 2004 (the difference between their payments to the budget and the revenue from it), were 8.8 billion euro. But the amount of these expenditures as a share of the total expenditures of the EU budget amounted to 2,9%, which makes it impossible to claim a significant financial burden for the EU-15 due to the expansion of integration in the East [2; 25 -26].

At the same time, receiving financial contributions from the EU budget, the new members of European integration in order to attract the foreign investment strategy used the active tax liberalization. This was accompanied by a flow of the capital from EU-15 countries with the high taxation into the CEE countries which resorted to this "tax dumping". In particular, in 2004 about 45% of German industrial companies planned to move its power abroad because of the high tax costs [11; 34]. The named redistribution of the financial flows, contributing to the dynamic growth of GDP in the post-EU countries, create the limitations for the increasing of the economic potential of "old-timers" of United Europe.

However, the entry of the new countries to EU did not prevent the implementation of the priority directions of European integration deepening, fixed in the Maastricht Treaty and the decisions of the EU summit, which took place in 1998 - 2002 [2; 27]: 1) creation of EMS (euro zone members have become Slovenia, Cyprus, Malta, Slovakia, Estonia, Latvia); 2) developing an area of freedom of security and safety, which is the part of the Schengen visa zone (in 2007 this area joined the post-socialist countries which gained EU membership in 2004) 3) transition to a common foreign policy and common security and defense policy, reform of the EU institutional system (was formalized by the adoption of the Lisbon Treaty in 2007).

The expansion of the European integration formation to the East has strengthened its heterogeneity, which did not create the preconditions for the progress in the development of the tax harmonization. There was a new obstacle for the formation of the supranational legislation basis on the "convergence" of the tax mechanisms in the

EU – the significant differences in the levels of the economic development and the development of the market infrastructure of it "old" and "new" members.

Beyond 2004 a number of the directives on the harmonization of VAT and excise duties aimed at the further eliminating of the tax barriers of the free movement of goods and services on the territory of integration were adopted. In 2006 the Council Directive 2006/112 / EU (well known as Directive 112) on the common system of value added tax was approved, replacing the previously existing Sixth Directive (the latter was the subject of the numerous amendments and additions which correct the gaps in the process of its application [14; 248]).

In 2008 a Council Directive 2007/74 / EU of 20 December 2007 on the exemption from VAT and excise goods imported by the persons arriving from the third countries came into force [18] (limits on exemptions were established).

At the beginning of the crisis the "VAT package" (Council Directive 2008/9 / EU Council Directive 2008/9 / EU and Council Directive 2008/9 / EU), was adopted involving the gradual introduction in 2010 – 2015 the new procedure of taxation services (if the supplier and the consumer are the residents of different EU countries) and procedures for the reimbursement of VAT paid in other EU countries). These changes were made to simplify and improve the mechanisms for VAT imposing on the territory of integration and to prevent fraud. [9]

In addition, in 2008 the Council Directive 2008/118 / EU of 16 December 2008 on the general conditions of charging excise duty and repealing Directive 92/112 / EU was approved [19] for organizing and eliminating a number of "problem areas" in the regulation of the basic principles excise tax within the United Europe.

In 2011 the Council adopted Directive 2011/64 / EU of 21 October 2011 on the structure and rates of excise tax for tobacco (codification) was adopted [20] for the purpose of construction of the same legislation provisions previously adopted by three directives on harmonization of excise tax on these products (which was amended several times) and the correction of the relevant tax arrangements because of the need to further eliminating of the tax distortions (such as raising of the minimum excise rates).

Thus the formation of the supranational legal framework on "rapprochement" of the

tax arrangements which is not associated with the removal of the tax barriers to the free movement of goods and services on the territory of integration faced with the serious difficulties. In particular, after the recession in 2008 - 2009 the discussions on the implementation of EU tax on financial transactions to accumulate the financial resources to mitigate the negative effects of possible future deterioration under the market conditions began. However, since many EU countries voted against such a step, it was decided to "move at different speeds", i.e. the introduction of a harmonized tax on the financial transactions only in the countries which have agreed to do it. The latter include Austria, Belgium, Estonia, Greece, Italy, Spain, Germany, Slovakia, Slovenia, Portugal, and France. However, despite the rejection of the application of this tax throughout the EU, its introduction has been delayed until at least January 1, 2015 due to the need to coordinate the mechanisms of its imposing [7].

The European Commission also developed the proposals for the implementation in EU the common consolidated basis by the corporate tax, the transition to which could be implemented on a voluntary basis, in order to promote the investment processes by simplifying the taxation mechanisms. These proposals are not implemented [10].

The seventh extension of integration - joining the EU in 2013 of the post-socialist Croatia - and was primarily for political reasons, but had a number of features. Negotiations on accession to the integration of the Balkan country began in 2003 and it was planned that in 2007 the EU-25 is transformed into the EU-28. However, this did not happen because of the failure of Croatia requirements for the judicial reform fight against corruption and human rights. And Croatia was even more economically developed than Bulgaria and Romania, which have become a part of United Europe in 2007. In 2011 GDP per capita in Croatia amounted to 16.4 thousand of US dollar while in Bulgaria and Romania, this indicator was 12.0 and 11.0 thousands of US dollars, respectively. [29]

Summarizing the 2013 in Croatia the decline was fixed. Besides it, in 2016 the national debt of this country could reach 60% of GDP. However, this was not the reason for the failure of the new Croatia from joining the EU, as a part of the European integration - a precondition for the further progress in its democratic development. It should be also noted that Croatia can now expect an increase in the financial assistance from the EU institutions and foreign investment (after accessio.

to the EU its investment attractiveness was increasing) [3].

Thus, the seventh expansion of the integration formation again proves the importance of the political aspect in the decision making about the entry of the post-accession countries to the EU (in particular, their achievement of progress in the development of the market mechanisms, the rule of law and civil society).

In turn, joining the European integration opens the new opportunities for these countries to increase their economic potential (including by means of the assistance from the EU budget), which should be properly used.

Croatia's accession to the EU is unlikely to create the significant problems for the deeper integration on the political aspects of cooperation or reach the new agreements on fiscal consolidation. The last fact is extremely important to exit the current recessionary period of EMS associated with the accumulation of a number of its members' huge amounts of the public debt, which poses a threat to the stability of the euro.

We should not expect the complications due to the seventh EU enlargement in the development of the tax harmonization, one of the promising areas of which is the transition to the definitive VAT system based on the limited principle of origin, with the application of the redistribution of the tax within the EU [14; 261].

With the introduction of this system, VAT imposing on the territory of integration will occur as well as inside the country (to be taken another important step towards the formation of a single home market), and redistribution of the revenues within the EU will provide its accumulation in the budget of the countries in which it the goods / services were consumed. At present time (after mentioned "VAT package" has come into force) VAT paid in the price of goods / services which are imported from another Member State into EU will be reimbursed after the addressing with the appropriate electronic application to the tax authority of the country where there was consumption of goods / services [9].

Thus, the strengthening, deepening and expanding of the European economic integration impacted on the development of the tax harmonization. Moreover, if the deepening of the economic integration engage participants to the formation of the preconditions for the progress in the formation of the supranational legal framework

for the "convergence" of their tax arrangements, the territorial expansion of the integration movements, often accompanied by the increasing its heterogeneity and exacerbation of conflict of interests, sometimes quite significantly complicated the process of adopting of the new legal acts on tax harmonization. One of the biggest obstacles to deeper the integration and harmonization of the tax are: 1) the reluctance of many countries to limit their sovereignty in making economic decisions which led to the transition to the concept of integration "at different speeds"; 2) not often the effective actions of the countries, accepted to the integration formation in the political considerations on the use of the potential participation in the integration processes in order to reduce its backlog in the economic development of the countries which have launched the European integration.

From the very beginning the tax harmonization has been subordinated to the need to ensure the effective functioning of a single home market and, above all, the elimination of barriers for the free movement of goods and services on the territory of Europe. Taken into account the mentioned fact the special emphasis was placed on the harmonization of the indirect taxation. The greatest success was achieved in the harmonization of the VAT, the ultimate goal of which is transition to the use of the same mechanisms of taxation with this tax in the middle of the EU and within it the whole. Despite the fact that the first directive concerning the harmonization of the specific excise passed just begun the 90th of the last century, the excise tax in the EU are also largely harmonized. Instead, the formation of the supranational legislation or "convergence" mechanisms for the direct taxes collecting, which causes the considerable opposition in many EU countries for the several decades, is very serious complications. As of today only a few guidelines to harmonize the corporate tax related primarily to avoid the double taxation was approved.

These features of the development of the European economic integration and tax harmonization should be considered by Ukraine, which aspires to become a member of United Europe member in the future.

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