

SMART TAXATION IN THE HUNGARIAN TAX SYSTEM

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ABSTRACT: *Affected by social and economic processes, tax systems seem to be in a transition all over the world. This transition is not only necessary for ensuring state or public revenues but also for handling certain situations, such as the expansion and escalation of digitalization or the one caused by the covid19 pandemic, which emerged and spread last year. The technologies and business models applied in a variety of economic activities continue to develop, and we get to face new technological advancements, methods of tax evasion and social problems, which all need to be addressed and solved. Tax revenues are primarily used by the state to finance public goods and services. Consequently, it is of essential importance how the state plans and designs their structure and channels of collection. Well-designed taxes support economic growth and investments, they encourage and foster job creation, increase economic competitiveness and improve social fairness and justice.*

This study aims to present the fundamental notions and concepts of smart taxes and taxation through the example of the smart solutions recently introduced in Hungarian tax administration. The reason for this is that ensuring state revenues, stabilizing the economy and the situation of the workers and employees and reducing the administrative burden related to taxation are important priorities even for the Hungarian legislators, which is the reason why quite a few smart solutions have been established here in the past couple of years.

KEYWORDS: *taxes; smart taxation; Hungarian tax system; digitalization; smart solutions*

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