INTRODUCTION
The field of taxation and its analysis has been, is and will still be at the forefront of the interest of experts, but also of the general public. This is mainly due to the fact that the effects of taxes are felt immediately by each of us. They interfere with our lives, whether we like it or not, they accompany us literally and literally from birth to death. They regulate our activity, regulate our disposable income through the redistribution of state funds.
Taxes play an important role in the politics and economy of the state. The goal of each country’s economic policy is to help the country’s economic growth, the growth of living standards of households and individuals and a more favourable business environment. However, revenues to public budgets in the form of taxes are necessary to achieve these goals. These are used to finance public goods and therefore have a positive effect, but on the other hand, they are detrimental to households and businesses. They also represent some harm to the state administration, in the form of tax-related administrative costs. The tax system of each state can be approached from a macroeconomic, microeconomic and non-economic point of view, and in these respects, different requirements are placed on the tax system. In addition to these national considerations, international considerations are important for the assessment of the tax system. It is not easy and always fully feasible to harmonize all the requirements imposed on the tax system. At the same time, we must realize that the level of economic knowledge is also evolving, theories of taxation are deepening and knowledge is being gained from practice with the implementation of tax laws. All these and other facts mean that the tax system must also adapt to these developments.
Changes in the tax system, therefore, take place not only in our country but also in other countries (Strážovská et al., 2007).
With the help of the tax system, the state strives to achieve a balanced state of the economy ensured by the permanent liquidity of the state in a growing economic environment, which is strengthened by a quality legal system and balanced cooperation between the state and the business sphere. Taxes are an
important economic tool for state macroeconomic regulation of supply and demand, so they have the role of regulator. Through taxes, it is possible to influence various activities of business entities and the population, and therefore they also play the role of a stimulator. Fiscal policy deals with the issue of tax collection and use. The tax environment affects not only taxpayers - employees, but to a large extent influences the decision-making processes of business entities (affects the choice of a legal form of business, decisions on capital allocation, selection of optimal financial and capital structure of the company, dividend policy, the size of disposable profit etc.). Tax-related issues certainly cannot be assessed unilaterally and taxes can be understood only as revenue of the state budget or other public funds.

It should be borne in mind that any change in the tax system, more than any other economic change, usually provokes a reaction from most elements of the economic system. When creating a tax system as well as with any tax change, it is, therefore, necessary to take into account the possible reactions of tax subjects, proceed from the individual subject to general conclusions and strive to respect the main tax principles (Hodál, 2003).

Due to the long-term absence of a tax environment based on the principle of a market economy, the current functioning of the tax system is a complex process in which new links are created between tax subjects and the tax administration. In the context of public finances and in terms of the basic resources of the state budget, taxes are a particularly serious phenomenon in a market economy. It is important to realize that tax truth is a fragile matter, that tax justice does not exist and that the civic duty of every wise taxpayer (company, entrepreneur, institution or citizen) is to pay the lowest possible taxes to the state and force both the state and its representatives - government and its ministers to focus on streamlining public spending rather than increasing the tax burden (Grznár, 2009).

ANALYSIS METHODOLOGY
The sources from which data and information can be obtained are diverse and their use depends on the researched problem, on their availability, relevance, credibility, etc. Data sources can be divided into:

✓ sources of primary data that are collected for the given purpose e.g. analyzes in the company, questionnaires,
✓ sources of secondary data that existed in their form before the problem arose and are independent of it.

A questionnaire survey is chosen as a source of primary data for the analysis of the application of tax optimization in the business practice of industrial enterprises. The essence of the questionnaire survey is the analysis of mutual relations, dependencies and causes of the investigated phenomenon and the subsequent generalization of the obtained results.

When choosing a suitable contact method, it can be a telephone, written, e-mail or personal contact. Individual types of contact methods differ in the degree of
return, the demands on the respondent and the organization of work. We decided to combine written communication (the disadvantage is slowness, financial demands, the advantage is better addressability) and electronic mail (faster, but less addressable). The target group of respondents consisted of small and medium-sized industrial enterprises and legal entities. The construction and stylization of questions and the determination of the optimal sample play an important role in the questionnaire research. Questionnaires are considered to be a very flexible tool, but it is important to compile them thoroughly in terms of stylizing the questions and their sequence and to eliminate the shortcomings before they are applied on a wider scale. The form of the question can significantly affect the answer and explanatory power. In principle, we distinguish between closed-ended and open-ended questions. Closed-ended questions indicate possible answers and facilitate the completion of the questionnaire and thus the willingness of the respondent to complete it. At the beginning of the questionnaire, it is advantageous to include questions that are simpler, of a general nature and arouse the interest of the respondent, and only then questions of a more demanding nature, while it is necessary to maintain a logical sequence of questions.

The next implementation step of the research was the phase of data collection, and subsequent systematic processing and analysis of the obtained data, where we used statistical characteristics such as frequency, percentage expression and the results were graphically evaluated using bar and pie charts.

In the economy of EU countries, the importance of small and medium-sized enterprises, as well as other enterprises of this size, is indisputable. The size structure of the business sector is largely similar to the structure in other EU member states. A comparison of the structure of the business sector and its share of employment in EU countries in terms of size structure is possible according to the data in Table 1.

| Business size       | Together |
|---------------------|----------|
| micro (0-9)         | 18 510   |
| small (10-49)       | 1 387    |
| middle (50-249)     | 220      |
| large (250+)        | 42       |
| SME                 | 20 117   |
| EU number of enterprises (in thousands) | 20 159 |
| share in the number of enterprises | 91,8%    |
| number of employees in thousands | 38 473   |
| share of employment | 29,6%    |

In terms of comparing the structure of the business sector in EU countries. microenterprises. Out of the total number of more than 20 million business entities in EU countries, SMEs makeup 99.8% (micro-enterprises account for up to 91.8%) and account for 67.4% of total employment. This comparison was
made according to the methodology used in EU countries, which does not distinguish between legal forms of business entities and all profit-oriented legal entities as well as natural persons entrepreneurs are considered as enterprises. Small and medium-sized enterprises provide employment opportunities to more than two-thirds of the active workforce and produce more than half of gross domestic product. The share of small and medium-sized enterprises in pre-tax profit in the total number of business entities has not changed significantly in recent years.

Small and medium-sized enterprises are increasingly sensitive to the quality of the business environment. There are a number of problem areas in the business environment where progress is very slow, in particular, problematic law enforcement, complex and frequently changing legislation adopted without business impact analyzes, the high administrative complexity of the business, high tax burden the cost of labour, persistent practices of clientelism and corruption. It is, therefore, an important role for the government to systematically improve the business environment, which in turn translates into improving their competitiveness in both the domestic and European markets.

FUNCTIONS AND ROLES OF TAX MANAGEMENT

Tax management as an integral part of the company's financial management is a process aimed at saving taxes in order to maximize profits. The state of legal and financial awareness of tax subjects from 1990 to the present already records the justification of a special financial discipline, which is called tax planning. This term is often used in connection with tax optimization, and tax planning can be considered as a broader area than tax optimization.

*Tax management* is a subsystem of financial management, which focuses on the management of financial processes from a tax point of view, i.e. for tax planning, tax decision-making, organization of tax processes, tax control, in order to optimize the tax burden, maximize profits and thus increase the market value of the company.

*Tax planning* is a procedure that allows the taxpayer to pay taxes in a reasonable amount and in a time schedule that does not disrupt its economic development and does not unnecessarily tie up free financial resources due to the form of legal personality, the amount of business turnover, the equipment and assets of the business activity.

*Tax optimization* represents a legal sequence of steps to report such a tax liability, which the tax subject is necessarily obliged to pay to the state when using the rules permitted by law on the basis of tax-accounting and legal knowledge. In tax optimization, the tax entity analyzes and applies in practice all available elements that allow reducing the tax base, while using various variants of applying tax costs.

*Tax inspection* – the overall process of tax management ends with a tax audit, which is again followed by tax planning and thus forms a constantly recurring
cycle of tax management activities. By this, we mean the internal tax control in the company, not the tax control performed by the tax office.

Part of the internal tax audit is the analysis of tax returns and the amount of tax liability. We use internal tax control to compare the actual economic result and the resulting tax liability with the planned values. When comparing actual and planned values of the current period, it is expedient, if the information system allows it, to compare actual and planned values from previous periods as well. It is also important to compare the planned and actual values not only at the end of the tax period but also during, i.e., to do, e.g., monthly comparisons. When finding discrepancies between the compared data, it is necessary to clearly define the causes and then find measures that will eliminate these discrepancies (Fig. 1).

If internal tax control is intensive and competent staff are consistent, the measures taken will also have an impact on the main cause of the deviations that have arisen, which is extremely important for future tax periods (Hyránek, 2003).

**CONCLUSIONS ON THE APPLICATION OF TAX OPTIMIZATION**

The aim was to determine the level of knowledge of the theoretical definition of tax planning and tax optimization in the practice of small and medium-sized industrial enterprises, to analyze the use of tax optimization tools in these enterprises in order to minimize their tax liability.

We assumed that in small and medium-sized industrial enterprises, they consider the concept of tax planning to be identical to the concept of tax optimization.
We found out the perception of the concept of tax planning in the practice of small and medium-sized industrial enterprises through a survey conducted by us. The understanding of the term tax planning was not clear among the respondents, it is often used as a synonym for the term tax optimization. Although only 9% of the total number of companies described these terms as identical, another 28% of respondents agreed with the answer "I can't judge," which means that the term tax planning is often confused with the term tax optimization or tax minimization among the public. The remaining 63% of respondents stated that they consider tax planning to be a broader area than tax optimization. One of the reasons may be that the respondents are aware that tax planning may not only be an effort to minimize the tax but may also apply to other activities, e.g. also the method of payment of advances, communication with the tax office, choice of a legal form of business, etc. The second more logical reason is that the respondents deduced that the concept of planning is understood with corporate governance in a broader context than optimization. It is important for business entities to know how important tax planning is in business activities and what impact it has on the economic result.

Furthermore, we assumed that the most frequently used tool for tax optimization in small and medium-sized industrial enterprises is to reduce the tax base by optimizing tax costs.

Insufficient knowledge of tax optimization tools is the most common reason for 72% of companies that they do not use them in practice. What is the cause is difficult to generalize for all business? The tools of tax optimization are changing in connection with the tax policy of the state and it is important to constantly monitor changes in legislation. It is essential that a competent person in the company, who can be the owner, financial director, economist, accountant, be able to constantly monitor changes in legislation and be able to react flexibly in terms of tax burden when dealing with various business situations. The survey showed that up to 69% of the total number of surveyed companies identified professional literature and magazines as an important source of information in assessing the tax impact on business activities. It is the easiest way for business entities to access current tax information and tax optimization options. Economists, tax experts, accountants, who can pass on their knowledge and experience in the field of taxation through professional literature, articles, lectures and presentations in the media, should contribute to this. The results of the survey showed that the most frequently applied tool for tax optimization is to reduce the tax base by optimization, i.e. by reducing the tax costs of business entities. As many as 84% of respondents consider this tool to be paramount in terms of tax minimization. In addition to this tool of tax optimization, companies use others, but to a lesser extent. Only 25% of companies apply the possibility of using gaps in tax legislation and concluding advantageous contracts in practice. We can state that business entities do not have sufficient information about possible tools of tax optimization, the aim of which is that everyone pays
only those taxes that are necessary. It should be the duty of every tax subject to try to use all the possibilities of tax optimization offered by the current legislation. Finally, we assumed that tax optimization was hindered by insufficient information and database in small and medium-sized industrial enterprises. The survey showed that the most common problem for 50% of addressed companies is to correctly assess tax-recognized costs, for 47% of companies the problem is the creation of provisions, for 45% of companies it is the creation of reserves and 31% of companies stated leasing as a problematic area. These are quite high percentages, given the findings of the survey that the Income Tax Act is understandable, clear and unambiguous for 70% of companies. It is clear from this that some areas of the Income Tax Act, which concern the adjustment of profit or loss to tax, are not clearly defined for taxable persons, and this causes companies difficulties in correctly assessing tax and non-tax costs, which ultimately affects the amount of tax liability. For 35% of companies, the problem in determining the tax base is insufficiently prepared information and database in the company. Businesses should realize how important it is to have timely data, figures with the necessary explanatory power for the right decisions, because everything related to business activity affects the economic result and consequently the tax liability. For a correct tax assessment of costs and revenues, it is first of all necessary to improve the information and database of the accounting agenda in companies. The survey showed that we will focus the proposals on the design of a tax management system in small and medium-sized industrial enterprises with an emphasis on improving tax records to support effective tax management.

THE METHODOLOGY OF TAX RECORDS FOR THE SUPPORT OF TAX MANAGEMENT

The tax base is determined on the basis of the adjustment of the accounting (gross) profit or loss. There is a conflict of interest in determining the tax base. On the one hand, there is an effort to maximize profits, which as a financial economic parameter of the company's performance is important for assessing its financial situation. On the other hand, there is the tax base, the amount of which determines the tax payable as the cost to the business that the taxable entity seeks to minimize. The process of creation and the total amount of gross profit is significantly affected by income tax. Income tax affects the profit or loss after tax, i.e., net profit (loss), which is also intended for distribution among owners (shareholders) in the form of profit sharing, dividends. Revenues and expenses as basic components of the economic result should be recorded and reported in such a structure as to provide relevant information for the financial management of the company, which also includes tax management. The Income Tax Act respects the basic principles and principles of accounting regulations for accounting costs and revenues, their material and temporal connection with the period, and therefore the economic result found in the
accounting is the initial data, from which after complex adjustments, recalculations, deductions determine the basis taxes and income tax payable. The adjustment of the pre-tax profit to the income tax base is made outside the accounting through a corporate tax return. The procedure for the transformation of the gross accounting result on the basis of tax in connection with specific rows and tables of the tax return for legal entities was shown in Figure 2.

The adjustment of the result of management on the basis of tax is not accounted for. A thorough tax analysis and cost and revenue adjustments will determine the income tax base. Tax analysis is performed on the basis of recalculations using items increasing the economic result, the so-called accruable items and items reducing the economic result of the so-called deductible items, the tax base is determined. The tax base is then multiplied by the applicable tax rate and the total tax due is calculated. After the income tax is recognized in
expenses, the pre-tax profit is reduced by the calculated tax (Kostetska, Khumarova 2020).

**Profit before tax in determining the tax base:**

- ✓ increases by the amounts of costs recorded in the accounts, which cannot be included in the tax costs according to the Income Tax Act, or which were included in the tax costs in the wrong amount, e.g. representation costs, shortages and damages, etc.
- ✓ increases by amounts that are not part of the economic result, but according to the Income Tax Act are included in the tax base, e.g. significant corrections of errors in costs and revenues of previous accounting periods, differences from changes in the accounting principles and methods used, which are reflected in the profit or loss of previous years according to the accounting procedures,
- ✓ reduced by amounts that are part of the economic result, but according to the Income Tax Act, they are not included in the tax base, e.g. dividends received, profit shares, non-received contractual penalties, penalties and interest on arrears, which the business entity claimed against the debtor, the amounts of costs that have already been taxed (by filing an additional tax return).

A common problem of tax subjects in quantifying the economic result and its adjustment on the basis of the tax is the correct assessment of costs, whether or not they are tax-deductible. We also confirmed this problem in the evaluation of the answers in the questionnaire, where the most frequently marked answer to the question "Indicate the options that are problematic for you from a tax point of view?" Was the answer "assessment of tax-deductible costs".

Accounting provides information on the financial and income situation of the company, regardless of tax regulations. Therefore, an analysis of accounting data from a tax point of view is necessary, which can only be performed under the assumption of correct and thorough registration of tax and non-tax recognized costs and revenues. In practice, this means that the accounting monitors all costs and revenues that arise in the course of business activities, regardless of their tax deductibility. It is important for a business entity to have information on tax and non-tax costs already during the tax period and to be able to anticipate the amount of its tax liability. Another problem is the completion of the corporate income tax return form. It happens that a business entity correctly assesses costs and revenues from a tax point of view, but does not know on which lines of the tax return it must be displayed. For these reasons, we propose a comprehensive methodology of tax records for small and medium-sized enterprises in the implementation of tax management.

The ongoing global financial crisis is affecting the economic situation of almost every business. However, if companies pay sufficient attention to this problem, they can mitigate or even largely eliminate the effects of the economic recession. An area that a business entity should not forget in connection with financial management is tax management.
From the point of view of theory and practice, the area of tax management in small and medium-sized industrial enterprises is elaborated. This is a current issue that is important in dynamic market conditions in economic theory and practice. For business entities, the main goal is to achieve a profit, the amount of which is largely influenced by the tax. If we take into account the area of corporate income tax, it is necessary to focus on the savings in tax costs that can be achieved by effective tax management.

**Tax management** is a subsystem of business management, which focuses on the management of financial processes from a tax point of view, i.e. for tax planning, tax decision-making, organization of tax processes, tax control, in order to optimize the tax burden of the company and thus maximize profits. **Tax planning** is a procedure that allows the taxpayer to pay taxes in the optimal amount and in a time schedule that does not disrupt its economic development and does not unnecessarily tie up free financial resources due to the form of legal personality, the amount of business turnover, the equipment and assets of the business activity. Tax planning does not only deal with tax optimization but e.g. also the methods of payment of advances, the method of communication with the tax administrator, the choice of tax environment and the like. **Tax optimization** is a legal sequence of steps to report the minimum tax liability within the rules permitted by law. In tax optimization, the tax entity analyzes and applies in practice all available elements that allow to reduce the tax base, uses various alternative solutions to the application of tax costs and uses possible "holes" in tax laws (Vilamová et al., 2019).

We consider the proposal of the methodology of tax records for the support of tax management to be a theoretical as well as a practical contribution. We linked the transformation of the economic result to the tax base to the tax return of legal entities. Following the items increasing the profit and loss and items reducing the profit or loss, we have proposed tax records in order to simplify and speed up the adjustment of the profit or loss to business entities on a tax basis. This tax record is a suitable tool for creating analytical accounts and their breakdown according to the requirements for quantifying the tax base, which follows from the Accounting Act. It should be emphasized here that three areas are linked in the proposed tax records at the same time, namely financial accounting, tax analysis of financial accounting data with corporate tax returns. The main benefit is that the business entity will find in these records’ individual accounts of costs and revenues in terms of tax-recognized and non-tax-recognized costs and revenues, also with a link to specific rows and tables of corporate tax returns. This would eliminate the problem of business entities, which resulted from the questionnaire survey "assessment of costs and revenues from a tax point of view", by the proposed tax records.

**CONCLUSIONS**
Businesses in a market economy are currently confronted on a daily basis with changes in the business environment, to which they have to react flexibly. The
sources of changes are changing requirements and preferences of customers, the behaviour of suppliers, rising input prices, but also changes in tax, customs or environmental legislation. The business environment must address the consequences of the global financial crisis, the globalization of markets and the constant growth of competition. The impact of the financial crisis is becoming increasingly visible, although its extent or duration is not yet clear. Lack of cash and declining demand appear in many markets and are spreading vertically and horizontally across many industries (Láčová, 2007).

The financial crisis is affecting every part of corporate governance, not excluding the financial area. The issue of financial management is topical because both large and medium-sized and small companies have to evaluate even more intensively during the crisis the fulfilment of set goals and control ongoing financial processes. Achieving an adequate degree of liquidity, profitability and stability are essential to ensure the existence of a business. Part of effective financial management in a company is also tax management, which the company should never forget, especially in times of financial crisis. Small and medium-sized industrial enterprises have an irreplaceable position in the economic system of each country. They create the preconditions for more effective use of people's unique skills, knowledge and work habits and make a significant contribution to the creation of new jobs. They have many specifics that set them apart from large industrial companies.

The tax environment is one of the important factors that influence the decision-making of business entities in such fundamental financial and economic issues as the choice of the organizational and legal form of business, choice of sources of financing, allocation of capital, especially to non-current assets, profit distribution, etc. An active approach to eliminating the effects of the tax burden on the financial and economic situation of the company is a prerequisite for the effective financial management of the company. The significance of this fact is not changed either by the general tendency of the tax burden to decrease to support business in the tax policy of individual countries nor by the current global financial and economic crisis.

The result in the theoretical area is mainly the systematization of definitions of tax management, tax planning and tax optimization, the actual definition of these concepts and a summary of theoretical knowledge about the content and tasks of tax management in relation to financial management.

The benefit of theory and practice is the design of a tax management system for small and medium-sized industrial enterprises. The proposal defines the functions and tasks of tax management in a systematic sequence as a prerequisite for its implementation within corporate governance. Another benefit is the proposal of tax records to support effective tax management, which can be an important methodological tool for small and medium-sized industrial enterprises, in which insufficient financial and human resources hinder an active approach to tax issues.
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Abstract: Tax policy is associated with the use and application of taxes and their instruments, which serve to influence macroeconomic and microeconomic processes in the economy. We can derive the tax policy from the applied economic policy of the state. The objectives of economic policy are aimed in particular at strengthening the effectiveness of the market mechanism, reducing pension and property inequality, as well as strengthening the internal and external stability of the state. In securing them, the state must take into account many internal, as well as international aspects, focused not only on economic but also on political, social, defenses, ethical and other interests. The individual goals that the state sets by its economic policy can be effectively achieved through goal-oriented policies that form part of economic policy. The state's social policy, unemployment policy, tax policy, etc. fulfil their role. These policies then have a retroactive effect on the economic policy of the state. The subject or goal of tax policy is the application of tax principles and measures so that taxes serve to promote the economic, social and political goals of the state.

Keywords: tax, tax management, optimization