

WAYS TO REDUCE TAX LIABILITIES OF TAXPAYERS

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Abstract

This article examines the importance of taxes in the state economy, and it is based on the fact that reducing tax debt is one of the most urgent issues in the country today. Opinions and opinions of foreign economists on tax debt reduction have been studied. Tax debts of legal entities, including individual entrepreneurs, were analyzed. Specific features of tax debt collection in developed countries have been studied. Also, the dependence of the increase in tax debt in our republic on the income of taxes and other mandatory payments was analyzed, and scientific proposals and practical recommendations were developed based on foreign experience. Based on the above-mentioned circumstances, proposals and recommendations have been formulated to reduce tax debt in our country, including improving the practice of its effective collection.

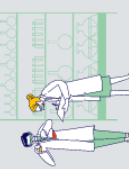
Keywords: Local taxes, tax, budget, tax debt, indebtedness, tax liability, tax offense, tax revenue, tax benefits, tax authority, taxpayers, legal entities, individual entrepreneurs, tax burden, taxes and collection signs, tax debt, state, budget.

Introduction

One of the main reasons for the increase in tax debts in the countries of the world is the high tax burden. In particular, the tax burden is 48% in Estonia, 46% in France, 44.5% in Ukraine, 42% in Lithuania, 41% in the Russian Federation, 40.5% in Azerbaijan, 39% in Germany, 38.5% in Latvia, and It is 33.9 percent in Belarus¹. These indicators not only cause tax debt in the country, but also have a negative impact on the entry of investors in these countries and increase the underground economy.

Since the first years of economic reforms in Uzbekistan, an independent tax policy has been created and its strategy has been developed and is being continuously improved. In particular, as part of the improvement of the tax policy, work was carried out to reduce the tax burden on the wage fund and optimize taxes for business entities. In particular, in the period from 2016 to 2021, the compulsory insurance premium of 8 percent for citizens was canceled, the personal income tax and social tax rates were reduced to 12 percent, including 1 percent during the

¹ Statistical data of the Organization for Economic Cooperation and Development (OECD) - the European Union . <https://www.oecd-ilibrary.org>



pandemic. This, in turn, led to a reduction of the tax burden on the wage fund by more than 1.5 times².

As a result of a series of tax reforms in our country, today the tax burden has been reduced to 27%. Nevertheless, the tax arrears are increasing year by year. At this point, it is worth noting that in order to create conditions for the organization of business activities and the formation of permanent sources of income, to increase the share of the private sector in the GDP to 80% and the share in exports to 60% by 2026, the share of the tax burden on business entities in the GDP will be 25%. Tax authorities were assigned the task of reducing it to percent³.

We all know that the main part of the income of the state budget comes from taxes and fees. The timely and full collection of taxes and fees serves to timely finance the cost part of all measures implemented at the state level, that is, the budget and target funds. Accordingly, the task of ensuring timely receipt of taxes is important, and this, in turn, imposes a great responsibility on the tax authority. Also, one of the most important issues of today is the development of necessary measures to reduce the tax liabilities of taxpayers in terms of taxes and fees and to prevent the occurrence of tax liabilities in the future.

LITERATURE REVIEW

The priorities of improving the tax administration in the country, including some issues of reducing the amount owed on taxes and fees, have been researched by a number of foreign and domestic scientists in their scientific works.

According to V. Moroz, a foreign scientist who conducted a scientific study on this issue, "Taxpayers" understanding of taxes and tax debt in the same context creates confusion. The court or tax authority never collects taxes. Only tax debt, penalty and requires the collection of financial sanctions. Even the tax debt can be paid voluntarily. also appears as a sign"⁴.

In his research, foreign scientist Michael Brostek points out the following factors for increasing the efficiency of tax debt collection, in particular:

- reducing the tax burden while preventing the emergence of tax debt amounts in the country will lead to a decrease in tax liabilities in the future;
- the strategy of collection of unpaid taxes and fees will give a positive result only during the specified period⁵.

In this regard, Russian researchers S.N.Alikhin and D.A.Levacheva cited the theoretical foundations of the tax debt collection mechanism in their research. According to him, they emphasized the complexity of collecting tax debt from the taxpayer along with the expansion of the tax base, and noted the need to develop a collection mechanism based on the financial

² Address of the President of the Republic of Uzbekistan Sh.M. Mirziyoyev to the Oliy Majlis. December 29, 2020.

³ Decree of the President of the Republic of Uzbekistan dated January 28, 2022 No. PF-60 "On the development strategy of the new Uzbekistan for 2022-2026".

⁴ Мороз В.В. Налоговое администрирование задолженности организаций по налогам и сборам: проблемы взыскания. Дис. канд. экон. наук. – М., 2011 г.

⁵ Michael Brostek. Tax debt collection IRS needs to better manage the collection notices sent to individuals. // United States government Accountability office. 2009. P-27.

condition of business entities with tax debt, taking into account a special approach to this process. emphasized⁶.

In addition, I.G. Vinokhodova in her scientific work mentions that increasing the process of sequestration of assets from business entities with tax debts will give effective results in collecting tax debts⁷.

Our local economists A. Tangrigulov and Sh. According to the Toshmatovs, the theoretical reasons for the emergence of tax debts are as follows:

- non-observance of payment discipline by business entities in mutual financial-economic relations, and as a result of this, the increase of receivables and payables;
- planning of financial and economic activity and improper management of this activity;
- a sharp change in consumer demand for the products (work and services) of the economic entity;
- the quality of the manufactured product (work and services) does not meet the customer's or market's requirements⁸.

Also, I. Niyazmetov stated that the tax debt is caused by "the fact that the burden of VAT and property taxes is mainly borne by industrial enterprises, which causes the uneven distribution of the tax burden, and the relatively heavy tax burden of industrial enterprises. This does not allow to solve the problem of tax debt in enterprises. Most of the tax debts correspond to the segment of general taxes. This indicates that the tax burden is so heavy that it has a negative impact on the financial activities of tax-paying enterprises"⁹.

A. Jorayev's doctoral research work on the topic "Actual problems of the formation of state budget revenues" was devoted to the analysis of problems related to the formation of state budget revenues. In this study, for the first time in our country, the discipline of payment in the implementation of the tax revenues of the state budget, the cases of the occurrence of debt in the budget during the collection of taxes were studied¹⁰.

RESEARCH METHODOLOGY

Scientific observation, statistical observation, comparative analysis using statistical graphs, data grouping, abstract thinking, induction and deduction methods were used in the research. These research methods serve to form conclusions and proposals for improving the tax administration, in particular, the mechanism of tax debt reduction.

⁶ Алихин С.Н., Левачева Д.А. Эволюция механизма принудительного взыскания задолженности перед бюджетом. // *Налоги*. 2018 г. С. 28.

⁷ Виноходова И.Г. Совершенствование практики взыскания задолженности организаций по налогам и сборам. // *Научное статья*, 2019 г. С. 22.

⁸ Tangrigulov A., Khomma A., Tashmatov Sh., Norkoziyev I., Rozikov N. Tax debt and its collection. Study guide. - T.: New Generation Generation, 2010. p. 51.

⁹ Niyazmetov I. Analysis of the impact of the tax burden on the financial activities of business entities and budget revenues. Nomination work. Abstract. 2008.

¹⁰ Jurayev A. Actual problems of formation of state budget revenues. Doctoral work. Abstract. T., 2006.

ANALYSIS AND RESULTS

Today, it is more effective to improve the mechanisms of compulsory collection of modern tax debts, and to increase the attention to the promotion and explanatory work aimed at increasing the legal literacy of taxpayers on the voluntary payment of this tax debt through modern information and telecommunication technologies.

Decree of the President of the Republic of Uzbekistan No. PF-141 of May 25, 2022 "On measures to improve the accounting system and increase the payment discipline of economic entities", of the President of the Republic of Uzbekistan The adoption of Decree No. PF-218 dated September 9, 2022 "On writing off tax debt resulting from the application of an effective tax mechanism" is an important step in improving the mechanism of tax collection from individuals. In particular, an interested person can send a notice on the right to delay payment of taxes through the taxpayer's personal office within three months from the date of the transfer of ownership rights to land plots, buildings and structures to the state register. , sending to the tax authorities, indicating the record number and date of state registration of property rights to buildings and structures, valid during the period of delay or installments of the Central Office of the Republic of Uzbekistan 50% of interest calculation based on the rate equal to the refinancing rate of the bank was included in Article 100 of the Tax Code. Payment of debts incurred by catering establishments for turnover tax, profit tax, tax for use of water resources, land tax from legal entities, tax on the property of legal entities, as well as all taxes and fees. Article 482 of the Tax Code reflected the proposals on granting the right to pay fines and fines in equal installments without submitting an application to the local state authorities, without paying interest, and notifying the tax authorities. In order to further strengthen the payment discipline of economic entities, liquidation of non-enforceable special purpose accounts opened in commercial banks in accordance with legal documents, in which the balance of funds in closed special purpose accounts are transferred to their main or secondary accounts. The regulation of the transfer authority based on the decision of the Cabinet of Ministers was approved by the Decree of the President of the Republic of Uzbekistan No. PF-141 dated May 25, 2022. In addition, property tax and land tax created as a result of the effective tax mechanism applied at increased rates to the owners of unused objects, approved by the Decree of the President of the Republic of Uzbekistan No. PF-218 of September 9, 2022 According to i, the authority was given to write off the existing tax debt and liquidate judicial and enforcement proceedings related to the collection of tax debt.

In addition, according to the Decree of the President of the Republic of Uzbekistan No. PF-141 dated May 25, 2022, 489.7 thousand banks out of 178.1 thousand out of 185.6 thousand business entities with 624.5 thousand special purpose bank accounts in commercial banks accounts were terminated from June 15, 2022. A system of continuous monitoring of the use of special-purpose accounts was created. The results of the monitoring showed that 22,100 enterprises misused funds in 28,800 cases and other deficiencies were allowed. In particular, "Uzdonkhusulot" AK in 67 cases, enterprises under the State Asset Management Agency in 56 cases, the State Committee of Automobile Roads in 53 cases, enterprises within Ozsuvtaminot JSC in 30 cases, and agricultural enterprises in 28.5 cases. made mistakes in a thousand cases.

Although "Tashkent" farm, which has tax debt, was allowed to pay off bank loans from its special purpose accounts with the proceeds from the sale of cotton and grain, a passenger car (1 Chevrolet Equinox LT 9AT) paid 318.5 million soums for the purchase. 3.6 billion by 22 enterprises. 46.8 mln. "Norqabilov Humayun" farm, which has a tax debt of 1.0 billion soums, illegally received financial assistance amounting to soums. According to the results of assessment based on the results of assessment based on the results of tax risk assessment, 337 companies are accused of hiding the tax base, improper use of benefits, understating (increasing) prices, hiding the salary fund, not reflecting bank turnover income in account registers, and other criteria. allowed the level to increase. In addition, according to the results of the analysis conducted in accordance with paragraph 5 of the decision of the Cabinet of Ministers No. 329 of June 13, 2022, 4.2 thousand agricultural enterprises did not make bank transactions through special purpose accounts, and 2.2 thousand (603 of them have a bank turnover of 66.1 billion soums) it was determined that there were no land areas, and 118.8 million soums were transferred from the special account of the farm "Dilnura cotton grain field" where there is no land area. Although there is bank turnover, 270.3 mln. not a single soum of tax debt has been paid.

If we analyze the experiences of foreign countries in tax debt recovery in developed countries:
In the USA:

A notification will be issued in the form of a letter, and it will fully indicate the tax debt, accrued penalties, and interest. (Property will be seized if not paid within 10 days)

A monthly late payment penalty applies.

If you are unable to pay, you can sign a contract for monthly installments (the contract can be completed online or by calling the number indicated in the letter).

It is possible to apply for the suspension of collection, but the calculation of the fine will not be stopped.

If the tax authorities find that they have no ability to pay, all their assets will be seized and sold, and their salaries, bank accounts, and pension funds will be seized.

In the United Kingdom:

Penalties for tax evasion:

If you have taken due diligence and reported the error to the tax authorities, the penalty will not be imposed.

Up to 30% if you did not take due diligence or did not pay the tax amount.

Up to 70% if the error was intentional.

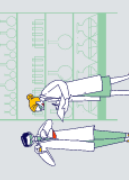
Up to 100% if the mistake was intentional and you tried to cover it up.

The most severe sentence: imprisonment from 3 to 17 years.

In Lithuania:

Tax credit agreement - types of deferment of tax debt payment (on the basis of a schedule, deferment for a certain period, etc.)

According to Article 86 of the Tax Code of the State of Lithuania, with the permission of the Tax Authority, the existing tax debt can be assigned to another related enterprise.



Pursuant to Article 88, if the situation of causing financial difficulties to the Taxpayer's activities is shown, the term of payment of the tax debt can be extended by concluding a contract (tax credit). In this case, in accordance with the Civil Code, the deposit is provided with a guarantee.

According to Article 107, the tax debt recovery period is 5 years.
in the State of Australia;

Australia uses predictive modeling combined with artificial intelligence to create a Real-Time Debt Management System that automates responses to taxpayer inquiries to free up more time to pay your tax debt. The system sets payment terms determined by taxpayers based on their projected propensity and ability to pay¹¹.

CONCLUSION

As a conclusion, we can say that in recent years, our government has reduced the tax burden, optimized tax rates, created a number of reliefs and wide opportunities for business entities to conduct their activities. But despite this, only a few of our taxpayers have tax debt.

By comparing the existing problems and deficiencies in the collection of tax debt of individuals by the state tax service bodies with foreign experience, the amount of penalty calculated for non-payment of taxes within the specified period, taking into account the level of inflation existing in the country as part of the incentive function of taxes, and the reasons for the emergence of indebtedness reduction will be appropriate.

In our opinion, we believe that the following proposals will be effective in reducing the debt due to taxes and fees and increasing the efficiency of their full collection:

1. There are many cases of waiving tax debts in the German state. This applies especially to small business entities. It is appropriate to apply this concept in Uzbekistan as well. In this case, it is necessary to take into account the fact that the small business entities for which the tax debt is forgiven will be developed in the future.
2. In practice, as a result of a tax audit conducted as part of a criminal case, additional taxes, including financial sanctions, are paid by the taxpayer to the deposit account of the authorized body that conducted the criminal case, but this amount does not appear in the database of the tax body, and is not reflected in the taxpayer's personal card. As a result, an automatic collection order will be placed on the taxpayer's account and the taxpayer will be subject to double taxation. It is considered appropriate to introduce amendments and additions to the Tax Code in connection with this issue.
3. In the foreign experience, there are separate private companies engaged in compulsory collection of tax debt. If the tax debt is not terminated, the tax authority has established a collection system in cooperation with these companies. It is considered appropriate to introduce this system in Uzbekistan.
4. In order to ensure timely payment of land and property taxes by natural persons and to increase their responsibility for paying taxes, for violation of payment discipline together with

¹¹ Черника Д. (2023) Налоги: учеб. пособие / Под ред. – 2-э. ИНФРА. Стр. 486

calculation of penalty for each day of late payment of taxes we believe that it is appropriate to apply a monetary fine.

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