

WAYS TO IMPROVE THE METHODOLOGY OF TAX REVENUE FORECASTING AND PLANNING

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To improve the activities of tax authorities, it is necessary to widely introduce information technologies. As a result, processes will be fully automated, tax barriers will be eliminated to reduce the size of the "hidden economy", and personnel capacity will be strengthened.

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Abstract

This article presents possible prospects for increasing tax revenues by improving tax administration, factors affecting the increase / decrease in budget revenues, the main directions of tax reform, as well as relevant proposals and recommendations for increasing tax revenues to the state budget.

Keywords: consolidated budget, import, inflation, direct tax, tax administration, resource taxes, recycling fee, electronic invoices, special control marks based on QR codes.

Introduction

Before presenting the possible prospects of increasing tax revenues by improving the tax administration, we will consider the current conditions of its development. By the end of 2021, the revenues of the Consolidated Budget (State Budget and State Target Funds) amounted to 196.4 trillion soums (26.7% of GDP). It can be seen from Table 1 that the share of Consolidated budget revenues in relation to GDP has not changed in dynamics and, on the contrary, has a tendency to increase. This is especially confirmed by the revenue forecast for 2022 - the ratio of revenue to GDP is forecast at 30.3%.

The following factors generally affect the increase/decrease in revenue to the budget:

- growth of the republic's economy;
- introducing a free exchange rate of the soum;
- introduction and easing of quarantine measures during the pandemic;
- introduction of new instruments of tax administration.

The increase in revenues to the budget from taxes was influenced by:

Turnover tax. Revenues from this tax (which was introduced instead of GST) have decreased significantly over the past three years. The following factors influenced and are influencing the dynamics of turnover tax revenues:



- with the beginning of the tax reform, transfer of small enterprises with a turnover of more than 1 billion soums per year (those who previously paid VAT) to pay VAT and other general taxes. This led to a significant increase in the number of general tax payers (19.4-fold increase) and a relatively low (1.9-fold) increase in the number of taxpayers under the simplified system;
- with the beginning of the tax reform, legal entities - producers of agricultural goods with an irrigated land area of 50 hectares (from 2022 - 25 hectares) and more, instead of paying a single land tax, switched to paying a turnover tax, which led to an increase in revenues.

Information on the execution of the state budget for 2019-2021

	2019 y.		2020 y.		2021 y.		Growth 2021/2019yy
	amount	in % by weight	amount	in % by weight	amount	in % by weight	in % by weight
State budget revenues	112 165		132 938		164 681		146,8
including:							
1. Indirect taxes - total	46 429	41,4	46 428	34,9	56 292	34,2	121,2
2. Direct taxes - total	31 677	28,2	45 207	34,0	58 930	35,8	186,0
3. Resource taxes and property tax	19 681	17,5	21 257	16,0	23 036	14,0	117,1
4. Other income and non-tax income	14 379	12,8	20 046	15,1	26 423	16,0	183,8

The data in the table shows that: - the share of indirect taxes (in 2021 - 34.2%) in the composition of the State budget revenues has decreased significantly since 2019.

- the share of resource taxes is decreasing (in 2021 - 14%). Reasons: the tax for the use of subsoil and the reduction of the tax rates imposed on the property of legal entities;
- other incomes are growing seriously (in 2021 - 16%). Reasons: increase in income to the budget from dividends from "NKMK" JSC and "OKMK" JSC.

We will dwell in detail on the analysis of the dynamics of income growth:

Great work has been done and is being improved in the tax system due to the wide introduction of modern information and communication technologies. In particular, information and communication technologies for tax control have been introduced in the last three years:

- electronic systems
- tax risk analysis by segmenting taxpayers according to the level of risk of non-fulfillment or incomplete fulfillment of tax obligations;
- tax report through the taxpayer's personal office;
- registration of taxpayers and their accounts;

- special system of registration of VAT payers;
- electronic invoices with the introduction of identification codes of goods and services, as well as a system for providing information about the coefficient of tax deduction for VAT;
- System of registration and scanning of special control signs based on QR-codes;
- information system of online cash registers and online terminals;
- E-Ijara (ijara.soliq.uz) electronic service designed to register real estate lease contracts;
- "E-asset" (E-warehouse, virtual warehouse) information system for accounting of fixed assets, intangible assets and material resources, analysis of arrival and balance of goods, online accounting and tracking.

Offers

Personal income tax. Most of the countries of the world use the progressive scale of the JShDS because it is a fairer system than the flat scale. On a flat scale: a cleaner who earns 1 million soums and an entrepreneur who earns 100 million soums pay the same tax in the amount of 12% of his income. In addition, the progressive scale of JShDS, which was in force earlier, had rates such as 0% and 7.5%.

In this regard, in addition to the existing single tax rate of 12%, for example, it is necessary to consider and introduce an increased tax rate of 17-20% for incomes that exceed 10 times the monthly income (currently 920,000 soums). That is, if the monthly salary exceeds 9,200 thousand soums, the increased amount is taxed at the increased rate.

Turnover tax. It was introduced instead of a single tax payment for small enterprises with a turnover of up to 1 billion soums. In accordance with Presidential Decree No. PF-5468 of June 26, 2018, the threshold amount of annual turnover (revenue) set at 1 billion soums is revised at least once in 3 years. However, almost 4 years have passed since the adoption of the Decree, and the amount of annual turnover has not yet been revised.

In this regard, it is necessary to increase the threshold amount of the annual turnover to 3 billion soums in order to ensure the execution of the Presidential Decree and to calculate the turnover tax. In addition, taking into account that in most foreign countries two or more criteria are used for the transition to a simplified system of taxation, it is necessary to introduce a second criterion for turnover tax payers - the criterion of the number of employees.

References

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