

Improvement of the Mechanism of the Domestic Innovative System of Taxation

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Abstract. *The article examines the taxation system, in particular, the impact of state tax regulation on business entities. Measures are proposed for the development of an innovative tax regulation system.*

Keywords: taxation, tax system, innovative taxation system, state tax regulation.

INTRODUCTION

Before proceeding to the consideration of ways to improve the taxation system, it is necessary to give a balanced assessment of the current taxation system in the country. Because the issues related to ensuring quality control cannot be considered in isolation from the economic activities of taxpayers.

Consequently, the formation of the domestic innovative system of taxation, issues of promoting its institutional development, the formation of reliable mechanisms for protecting investors, increasing the level of legal and infrastructural support have become the most important state priorities.

In this most important segment of the taxation system, the main goal of the state tax policy is to ensure the completeness of tax receipts in the revenues of the budgets of subjects, both social and real sectors of the economy.

Ensuring the implementation of this goal is impossible without correctly formulated and supported by laws principles of regulation of the taxation system, taking into account the observance of their interests.

MAIN PART

However, the existing laws and regulations on the tax system do not allow them to be used for investment by economic entities, except for large investment projects. In addition, the lack of a strategic policy for the use of budgetary funds for the purpose of investing in economic entities leads to the fact that private investors do not trust state financial support. As a result, the share of the population with investments in the investments of economic entities does not exceed 2%. This puts on the agenda the issue of the need for a comprehensive study of the integration process as a tax mechanism that contributes to the rapid impact on the development of enterprises and the effectiveness of the use of financial instruments. The state, by improving the existing legislative acts, in particular, the Tax Code [1] and requirements for the conditions of organizing and carrying out a business, new mechanisms of tax influence that protect an ordinary participant in tax relations. These include the investor market participant who has very little initial capital from any violations that are inherent in any market, which has very little initial capital from any violations that are inherent in any market.

The domestic market for goods and production of means of production is still dominated by old-style goods (services), while the number of measures or tests required for the production of highly efficient import-substituting goods and production of means of production is insufficient. State support for the development of the industry can be aimed at enhancing the stimulating effect of tax incentives, especially for the stages of research and development of new technologies [3].

To a large extent, the introduction of innovative mechanisms for regulating the securities market was facilitated by government measures of tax support for the development of the domestic stock market. For, the successful implementation of an effective system of tax mechanism for regulating the securities market would contribute to the timely formation of the necessary legal and regulatory framework governing the activities of stock market participants and aimed at preventing abuse of securities. It could organically combine organic and market levers of negative impact on the participants in the background space, covering practically all transactions with securities circulating in Uzbekistan.

Such a system should be well identified with the general structure of state tax regulation and tax control and take into account the achieved level of daily practice of professional participants in the securities market.

The taxation function is socio-economic, and it controls the proportion of the income of some social groups within the population. The role of the tax regulation function, especially during economic crises. In such cases, the profitable sectors of the economy and the amount of taxes levied by individuals from income earnings will be increased and the additional funds will be directed to the social protection of the poor [4].

It should be noted that now the domestic system of taxation and tax control over the activities of securities market participants can be divided into three subsystems:

The first subsystem is due to the state tax regulation of the securities market, carried out by state bodies. The competence of the state body includes the implementation of preliminary tax control of participants in the securities market.

The second subsystem is connected with the calculation of the taxable base and respecting the taxation of budget revenues by the participants of the securities market themselves.

The third subsystem is due to the public nature of tax regulation or regulation carried out through public opinion [2].

Observing the principles of these functional subsystems of tax regulation of taxpayers' activities in the republic, a domestic system of tax control over the activities of taxpayers was formed, which took a lot of time and included the stages of formation and development, in particular:

- Creation of a regulatory framework covering the development of laws, regulations, instructions, rules, methodological regulations and other legal and regulatory acts;
- selection concerning the stock market of securities, i.e. a stage that requires market participants to have adequate knowledge of the taxation mechanism, the state and development of the stock business, and experience in stock activities;
- the stage of formation and development of the taxation system, respectively, taxation systems, respectively, and the infrastructure of the stock market, which makes it possible to increase the level;
- the stage of ensuring the protection of investors' interests by establishing tax incentives for collective investment institutions;
- the stage of tax control over compliance with the fulfillment of established tax obligations by all market participants, which is controlled by the relevant tax authorities;
- the stage of introducing a system of norms and rules of conduct in the market, which include fines or penalties.

All of the above can be combined into two large groups:

First. Direct or administrative tax regulation. This can be done by: establishing mandatory tax requirements for participants in the securities market as a tax payer; maintaining new tax disciplines in the securities market.

Second. Indirect or economic tax regulation. This is realized by the state with the help of economic levers of influence at its disposal, i.e. using the taxation system (tax rates, benefits and exemptions from them); state capital (state budget, off-budget funds of financial resources, etc.).

Hence it follows that the regulation of the securities market by tax mechanisms, first of all, presupposes the presence of intradepartmental services, endowed with appropriate powers and responsibility.

In our republic, unlike other market-developed countries, the powers of such a body have been transferred to the State Tax Committee (STC). The committee was created on the basis of the Ministry of Finance of the Republic of Uzbekistan.

CONCLUSION

The main functions of State tax committee is, firstly, the implementation of state tax policy in the field of formation, development and monitoring, as well as the activity of regulation of tax inspections locations, based on careful study of the experience of countries with developed economies, in order to avoid mistakes, made at one time by market developed countries in the regulation of the tax base and tax rates.

Secondly, the development of a regulatory framework that provides the necessary legal conditions for effective tax regulation. These are, first of all, the Tax Code of the Republic of Uzbekistan, presidential decrees, government decrees, regulations and instructions of various government bodies involved in the payment of taxes to budget revenues, and also monitors compliance with legislation in the field of mandatory tax payments of legal entities and individuals.

Thirdly, the maintenance of unified registers registered in the republic, i.e. the state should know how many small business and private entrepreneurship entities are in the state of paying taxes at any given moment, on what conditions they are, what they are provided with and when tax arrears will be paid, etc.

The successful implementation of the above directions of the State Tax Committee of the Republic of Uzbekistan, conducted jointly with the Ministry of Finance, the Central Bank and other government bodies, in our opinion, will create a completely innovative system for regulating the taxable base and tax rates in the Republic of Uzbekistan.

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