



Improving Tax Control

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ABSTRACT

This article discusses the issues of reforming tax control, further improving and increasing the efficiency of state tax authorities, the formation of a "digital economy", which is a logical continuation and development of the use of modern information and communication technologies as well as accelerating the implementation of universally recognized international norms and standards in national legislation.

Keywords:

Tax control, taxpayers, tax service employee, taxes, other mandatory payments, direct taxes, indirect taxes, resource payments, state budget, state tax authorities, investment climate, principles of tax control, tax administration, tax monitoring, cameral tax audit, field tax audit, tax audit.

Introduction

In order to reform tax control, further improve and increase the efficiency of the activities of state bodies of the tax service, the formation of a "digital economy", which is a logical continuation and development of the use of modern information and communication technologies, as well as accelerating the implementation of generally accepted international norms and standards in the field of taxation into national legislation control.

The President of the Republic of Uzbekistan Shavkat Mirziyoyev noted his message to the Oliy Majlis of the Republic of Uzbekistan:

"According to the recently adopted Tax Code, a lot of innovations are being introduced this year. In particular, the number of types of taxes has been reduced from 13 to 9. Facilitated tax payment mechanisms have been introduced with the possibility of deferral or installment plan.

Each employee of the tax service, entrepreneurs, taxpayers should understand and apply the norms of the new Tax Code well, for this it is necessary to organize their regular

training.

In order to radically change the attitude of tax officials to their work and to train qualified personnel, I propose to create a Fiscal Institute under the State Tax Committee and attract authoritative foreign experts for this[1].

The growing needs of the state in financial resources require the uninterrupted functioning of the tax collection mechanism. In practice, the tax authorities reveal the facts of late payment of taxes and other obligatory payments by taxpayers, which is currently a problem for such parties of financial relations as the state and taxpayers. For this reason, the problem of efficiency and improvement of control over the correctness, timeliness and completeness of tax collection becomes acute.

Analysis of thematic literature

It is necessary to distinguish between the concepts of "tax control" and "tax administration". If tax control is part of the tax mechanism, then tax administration is part of taxation management.

Tax administration is one of the functions of state tax management (taxation

management).

The goal of tax administration is to achieve the maximum possible effect for the budget system from tax revenues at the lowest possible cost.

Tax control is a set of measures carried out by tax and other authorized bodies aimed at identifying violations of the current legislation on taxes and fees, as well as preventing them, "says M.M.Shadurskaya, E.A.Smorodina, T.V.Bakunov in his textbook on the essence and forms of tax control [2].

D.G.Chernik in his textbook on taxes and taxation considers tax control - control over the correct payment of taxes and fees by legal entities and individuals. Tax control is understood as checking compliance by taxpayers with the legislation on taxes and fees; detection of tax violations; ensuring the receipt of tax payments to the budget of all levels. The formation of tax policy is a set of measures that ensure the timely and full payment of taxes and fees, in the amounts necessary to finance government activities.[3]

The methodology, forms and tools of tax control are reflected in the works of E.S.Vylkova, L.I.Goncharenko, A.Z.Dadasheva, T.A.Efremova, V.A.Krasnitsky, Yu.M. Krokhina, I.I. Kucherova, O.A. Mironova, M.V. Mishustin, N.N.Nesterova, O.A.Nogina, K.V.Novoselova, S.G.Pepelyaeva, A.V.Terzidi, F.F.Khanafeeva, D.M.Shchekina.

The works of S.V.Barulina, A.V.Varnavsky, N.G.Vishnevskaya, V.A.Kashina, N.P.Melnikova, M.R.Pinskoy, O.S.Semenova, I.A.Ergasheva, B.A.Normatova, U.A.Berdiev, Sh.A.Allayarov[4].

Research Methodology

The methodological basis of the study is a systematic and analytical approach that allows presenting scientific research on socio-economic phenomena and processes in their development, legislative and regulatory acts of the Republic of Uzbekistan on the development of tax control in the context of qualitative transformations in the system of state bodies of the tax service. In the course of writing this

article, the methods of systemic, logical, comparative and economic-mathematical analysis were used. Methods of influence include: improvement of tax control and simplification of tax procedures and other measures of influence.

Research methodology is very important that it is chosen correctly, since research methodology always occupies a key place. Referring to the task set by us to show the effectiveness of tax control and the collection of taxes and the readiness of the legal framework of Uzbekistan, we came to the conclusion that we will use the methods of the empirical and theoretical level, namely the methods of study and generalization, analysis and synthesis, observation.

Analysis and results

An effective taxation system and well-coordinated work of the state tax authorities are of particular importance in the context of the implementation of large-scale reforms for the long-term development of the country's economy.

The effectiveness of tax control and the collection of taxes are predetermined by macroeconomic conditions in which, on the one hand, taxpayers carry out economic activities, on the other hand, tax authorities exercise the basic powers of tax control.

Tax control is a complex and purposeful system of economic and legal actions of the competent state authorities, which is based on the legislation in the field of taxation.

The main direction of tax control is the collection and analysis of information on the fulfillment by taxpayers of their obligations to pay taxes. It is also an important condition for the functioning of the tax system.

Tax control is the activity of authorized bodies to monitor compliance by taxpayers and tax agents with tax legislation.

The tax authorities exercise tax control in the form of:

- 1.Tax audits
- 2.Tax monitoring

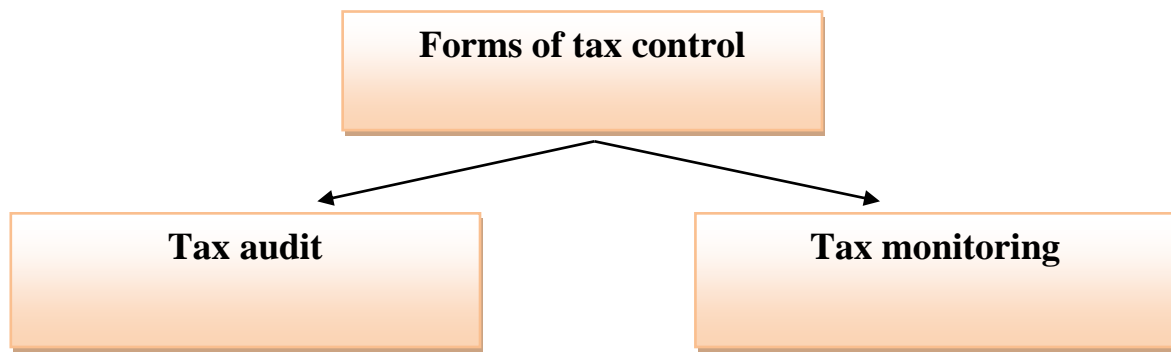


Figure 1. Forms of tax control

Source: author's development based on research results.

The tax audit is carried out on the basis of the study and analysis of data on the taxpayer available to the tax authorities.

An in-house tax audit is carried out by the tax authority based on an analysis of the tax reporting, financial reporting submitted by the taxpayer (tax agent), as well as other documents and information about its activities that are available to the tax authority.

An on-site tax audit is an audit of the fulfillment of certain obligations of taxpayers in the field of calculation and payment of taxes and fees, as well as other obligations stipulated by tax legislation.

A tax audit is a verification of the correctness of the calculation and payment of taxes and fees for a certain period.

The subject of tax monitoring is compliance with tax legislation, correctness of calculation, completeness and timeliness of payment (transfer) of taxes and fees by a legal entity in respect of which tax monitoring is carried out.

Tax monitoring covers all taxes and fees in respect of which a legal entity is a taxpayer.

Tax monitoring for the taxpayer is voluntary.

Tax monitoring is carried out by the tax authority based on the decision to conduct tax monitoring.

Tax monitoring begins on January 1 of the year for which tax monitoring is carried out and ends on July 1 of the year following the period for which tax monitoring was carried out.

The main task of the state bodies of the

tax service is to improve tax control and the entire system of state bodies of the tax service as a whole, which, in turn, should lead to the elimination of existing problems that exist in this area.

The need for tax control is conditioned by such negative qualities of individuals and legal entities as irresponsibility, late payment of taxes and other obligatory payments established by law in full.

Currently, one of the main tasks of the state bodies of the tax service is to control compliance with tax laws. Ensuring the efficiency of the work of state bodies of the tax service and improving tax control contribute to an increase in tax revenues and other obligatory payments in full. The development and improvement of tax control is a very laborious and lengthy process. After all, full tax control over the correct calculation and timeliness of the transfer of tax and other obligatory payments has not yet been implemented, and taxpayers' evasion from paying tax and other obligatory payments has not been disclosed either.

The Republic of Uzbekistan is implementing large-scale reforms in the areas of tax policy aimed at creating favorable conditions for entrepreneurial activity and improving the investment climate.

At the same time, expert assessments and surveys conducted among business entities indicate the persistence of a high level of shadow turnover in the economy, especially in the areas of trade and public catering, road transport, construction and repair of housing, the provision of accommodation services,

which infringes on the economic interests of conscientious entrepreneurs and creates for them unequal conditions for doing business.

In order to reduce the level of the shadow economy in the country, create equal competitive conditions for doing business, including by reducing the regulatory and administrative burden, automating procedures and simplifying the procedure for complying with tax control requirements. [5]

The organization of the work of the state tax service, based on outdated methods and principles of tax control, does not allow for the solution of the new tasks assigned to them, including expanding the tax base and increasing tax collection, which is aggravated by the presence of significant unresolved problems.

1. Low level of tax administration, mainly associated with the fulfillment of forecast indicators and limited to tax reporting without looking for additional sources of taxation.

2. Irrational use of information and communication technologies, which does not allow full tax administration, determining an additional taxable base and reducing the level of shadow turnover in the economy.

3. Lack of effective software products that ensure the collection of external sources for in-house audits.

4. Inefficient use of the granted powers to control the activities of trade enterprises, public catering, markets and shopping malls, leading to the creation of various tax evasion schemes.

5. Lack of clear criteria for identifying individuals who systematically evade taxes for organizing targeted audits, as well as factors contributing to the commission of tax offenses.

The tax control system, like any system, interacts with the external environment, the challenges of which require internal coordination and adjustment. The process of updating an object, bringing it into line with new conditions, requirements, quality indicators is called modernization.

Conclusion and suggestions

Control, being a management function, occupies an important place in the process of economic activity. At the macroeconomic level, the role of tax control is evident in the composition of tax administration and the implementation of tax policy.

Improving tax control in the system of state bodies of the tax service should solve the following tasks:

1. Improving the methods of combating smuggling and corruption, illegal currency transactions and tax evasion and other obligatory payments, the state tax authorities should apply modern methods of tax control.

2. Improving the forms and mechanisms of tax control, including through the widespread introduction of modern information and communication technologies that provide the most complete coverage and accounting of objects of taxation and taxpayers.

3. Improving the skills of employees of the state tax service and taxpayers.

4. Conduct free consultations on the most complex provisions of the Tax Code and tax legislation.

5. Provide free tax education programs.

6. Increasing the efficiency of the activities of state bodies of the tax service should form a "digital economy", which is a continuation and development of the use of modern information and communication technologies.

Thus, the development of tax control at the level of business entities has a mutual benefit for each of the parties to tax relations, and can, on the one hand, become one of the sources of increasing business efficiency, and on the other hand, a guarantee of the financial security of the state in terms of generating budget revenues.

Literature:

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