

Eurasian
Research Bulletin



Strategies to Reduce the Shadow Economy through Financial Instruments in Uzbekistan

Ro'ziqulov Shunqor Tohir o'g'li

**Tashkent State Economic University
independent researcher**

ABSTRACT

In recent years, this article in our republic examines the issues of the effective use of financial instruments to reduce the share of the shadow economy in the country, as well as the fact that the work of tax authorities to combat the widespread practice of concealing the amount of income by taxpayers and the use of tax evasion schemes, are not carried out separately and consistently, led to a decrease in tax discipline, a hidden study was conducted to analyze and evaluate the results of maintaining the scale of the economy and the deterioration of business conditions for honest entrepreneurs, and scientific and practical conclusions and proposals were developed for its application.

Keywords:

shadow economy, financial, hidden economy, tax revenues, analysis, risks, efficiency, schemes, tax discipline, methods and tools, advanced information and communication technologies, analysis, optimization, tax rate

Introduction:

Uzbekistan, like many other countries, faces a number of unique economic problems, one of which is the prevalence of the informal or often so-called "secret" economy. This informal economy includes economic activities that occur outside of formal regulations, tax systems, and labor laws. Its existence creates several problems for the country's economic development, fiscal stability and social welfare. Effective use of financial means to reduce the share of the secret economy is an important condition for the economic development of Uzbekistan. The informal economy can have some advantages, such as providing livelihoods to sections of the population and filling gaps in the formal sector.

Analysis of literature on the topic:

We present a brief literature review on the topic of ways to effectively use financial instruments to reduce the share of the secret economy.

According to O.Mahkamov, non-payment of taxes, levies, duties and other mandatory payments set by the state, intentionally concealing or understating profits (income) or other taxable objects, as well as improving measures to protect tax or legal interests in our country It is necessary to solve the existing problems by legal means through the analysis and revision of a number of laws and regulations under the law. This, in turn, is of great practical importance in preventing crimes in this area" [1].

Although tax evasion occurs based on the economic egoistic feeling of the taxpayer, however, it is manifested at the level of a social problem through the economic spheres of society and becomes a political issue. In this regard, Bavarian finance minister E. Hoover pointed out the main socio-political basis of tax evasion when he said that "in Germany, the desire to avoid paying taxes is stronger than the desire to be born." [2].

According to A.R. Abdullina, there are difficulties in the analysis of accounting documents in the detection of tax crimes in tax evasion by law enforcement agencies, lack of sufficient skills in monitoring enterprises that are newly established and quickly end their activities, the difficulty of analyzing civil and economic legal documents based on mutual integration, the law based on the legal basis of tax evasion due to the insufficient improvement of documents, it affects the ineffectiveness of actions aimed at reducing this process [3].

I. Vachugov also explains the concept of "hidden economy in the field of taxation" as a part of the hidden economy. According to him, "tax evasion is a part of the underground economy, and the activities of secret structures for the provision of tax evasion services allow us to introduce the term "the underground economy in the field of taxation", the definition of which can be expressed as follows: both taxpayers themselves and tax evasion shadow structures that provide services that provide activities related to the organization of extortion"[4].

According to B.A. Raisberg, he evaluates the hidden economy as "economic processes that are not advertised, are not hidden by their participants, are not controlled by the state and society, and are not recorded in official state statistics" [5].

P.S. Efimichev defines "tax evasion as a manifestation (inaction) in the form of intentional failure to pay taxes specified in this law" [6].

S. L. Nudel explains that "tax evasion is socially dangerous, it is an act or inaction of individuals or legal entities aimed at not paying taxes and (or) fees prescribed by law in whole or in part in the field of taxation." [7].

I.A. Mayburova, A.P. Kireenko, Yu.B. Ivanova define tax evasion as follows: "tax evasion should be understood as an illegal way of changing the taxpayer's obligations to pay taxes, in which income from tax authorities and concealment of property, creation of fictitious expenses, as well as deliberate violation of accounting and tax reporting" [8].

Analysis and discussion of results.

The shadow economy can further fuel corruption, as it is often linked to illegal

operations and corruption, creating opportunities for abuse and corruption. Due to its informal and hidden nature, the shadow economy can be difficult to control and regulate. Its struggle requires strengthening the rule of law, reforming the financial system, and encouraging formal banking. The shadow economy changes frequently in response to changes in laws and regulations, making it difficult for the government to track and combat it. Combating the shadow economy requires strengthening sanctions against violators, encouraging formal employment, strengthening the tax system, strengthening transparency and oversight, and providing a platform for the development of specialized knowledge and skills.

Many businesses operating in the shadow economy are registered and do not have the necessary legal documents, such as licenses and permits. The shadow economy is often associated with cash transactions, which reduces transparency and makes it difficult for government agencies to monitor their activities. In general, the underground economy is a sector that operates outside the formal economy, outside the norms and rules of the formal economy, and outside the regulation and control of the state. A characteristic feature of the underground economy is that much of its activity is illegal or semi-legal, informal, unregistered, or informal, or involves employment without legal documentation.

Today, in accordance with the Decree of the President of the Republic of Uzbekistan No. PD-6098 dated October 30, 2020, efforts aimed at reducing the shadow economy are being carried out in cooperation with international institutions with experience in this area (World Bank, International Monetary Fund, Russian Federal Service for Internal Revenue, etc.). In addition to the above-mentioned instruments, which are presented in Figure 3.1, other approaches are also considered, considering the fact that the sector has been working on strengthening and strengthening entrepreneurs who are actively engaged in economic activity, as well as creating a level playing field for entrepreneurs. Yes, it's safe to use.

For example, in 2021, the “Akay City” residential complex offered the highest price of 7 roubles per square meter of apartments through electronic platforms, according to a notary’s report, citizen X.O. The person has certified through a notary that he has sold the apartment in this residential building for 1 sq. m. per 1 sq. m., where he has hidden the land base for 6 sq. m. per sq. m. and has made a corresponding land plot.

The quality of this solution is ours, legal entities, to conclude investment and real estate sales contracts only in electronic form and to establish a procedure for registering them with legal entities, including: the purchase price and the form of payment of the purchase price, as well as the construction costs. The receipt of the sale of goods in the form of a receipt must be attached/integrated into this contract, and the notary public must certify the sale and purchase transactions only on the basis of electronic contracts, and the sum of the money received and the value of the goods shall be calculated as the contract value. Just think of it this way, the hidden base of the economy, the hidden economy, as a kind of tool for the development of economic instruments.

In addition, in my opinion, it is important for construction companies to participate in joint construction with the population, make investment contributions, and establish a formal procedure for registering contracts with relevant bodies for the construction of houses and for the sale of goods. In addition, legal entities are required to register information on contracts concluded with the relevant bodies for participation in joint construction or investment contributions, as well as contracts for the implementation of housing and commercial real estate objects officially registered with them. It is necessary to create a system of accounts, register contracts with relevant organizations, and amend and supplement legal acts that provide for the notarization of contracts related to the sale of housing or the change of ownership.

Another question about this is what kind of law (law of the Republic of Uzbekistan) is based on, which is a secret of today’s economic situation, on the acceptance of foreign investments by

foreign business entities. One of the reasons for economic growth is the economy. The following is a good example of the quality of evidence for your idea. According to the Central Bank, in 2022, the volume of transactions by individuals using bank cards amounted to 1,103.4 trillion soms (including 553.6 trillion soms received on the card and 549.8 trillion soms transferred from the card to the customer), while the value of transactions via P2P amounted to 582.3 trillion soms. tr 1 n. so‘m (or 52 percent).

In addition, as of December 2023, a mobile inspection of the activities of business entities accepting payments via P2P revealed that all 196 cases of accepting payments via P2P were confirmed. In particular, as a result of the receipt of 542.5 million rubles for the activities of “KEGEYLI PHONE STORE” LLC on the plastic card of citizens of the State Tax Service, as of 10 March 2023, the budget received 130.7 million rubles (including 72.6 million rubles for taxes, 58.1 million rubles for VAT). It has caused a huge uproar and a secret economy to emerge.

We have already discussed in the previous paragraph that this is a unique experience in international relations, namely, we have analyzed how Kazakhstan, the Caribbean, and the United States have been successfully using such instruments in this regard. These international experiences have not yet reached the real meaning of the word, but we would like to present our recommendations in this regard. In this regard:

to establish a procedure for installing “QR-ispey” equipment for business entities (private individuals and legal entities) that intend to receive payments from citizens through their own means, and to establish a legal basis for their use (this equipment The difficulty of integrating into the ONKM and the automatic electronic form of the system after the introduction of the technology;

Add the “QR-ISPEYI ROS TERNA” equipment to the list of equipment (cash register equipment, accounting and bookkeeping equipment) that must be installed for the provision of goods and services in the 221st branch of the Trade and Industry Code of the Republic of Uzbekistan;

The following is the reaction of the 221st - 1st paragraph of the Code of Civil Procedure:

"Although the control and cash register equipment, accounting and bookkeeping systems are still in the process of being replaced by the QR-speakers, we have been able to provide them with the necessary skills and services for five years." "The reason for the death of the deceased is because of the death of the deceased";

To establish a mechanism for registering citizens who have received payments via P2P, and to establish a system for registering citizens who have received payments on their plastic cards, as well as for businesses that have received payments on their plastic cards;

If the number of individuals who have been exposed to P2P information exceeds 1 million per year, the mechanism for their exposure based on the declaration shall be eliminated;

The Supreme Court has considered it appropriate to amend Article 223 of the Civil Code of the Russian Federation to amend the provisions of the Civil Code on the issue of the acceptance of payments by business entities to the plastic cards of individuals. We believe that the introduction of this new economic policy into the public sphere has increased the effectiveness and relevance of these instruments to reduce the hidden economy.

The next topic is the qualitative nature of the subjects of the economic activity, which is to hide the number of employees of the enterprise (without officially registering employees), as well as the accuracy of the employees' reports. The most important thing to remember is that the most important thing is to reflect the situation, and in particular, the most important thing is to observe the situation of monthly wages. According to the analysis, the labor force was 19.5 million people, including 13.8 million people who were unemployed, 1.3 million people who were unemployed, and 4.3 million people who were economically active. As of December 1, 2019, the economy had paid 186.6 trillion som in wages to 5.3 million people (excluding the government), and the budget had received 22.4 trillion som in taxes. The construction sector alone (buildings, structures) in 2022, with 1,075 enterprises with more than 10 million employees, a sharp difference in average wages (3.1 million) and

825 enterprises with 1-2 employees, an increase of 13 million employees, according to the JShODS calculation. The law is clear.

We consider it a right to work on a platform that aims to reduce the quality of the solution and the informal labor market. The idea of launching this platform is to increase the budget of the republic by 541.0 billion rubles (according to the lowest level of wages), based on the employment of 4.3 million economically active citizens, which is 50 percent of the total population. 270.9 m l r d .so'm, business taxm - 270.9 m l r d .so'm) defines the form of tax revenue.

This platform, in order to reduce the number of unemployed and create a database of real-time data on the number of unemployed people, including those who are unemployed and those who are unemployed, is being created by the Ministry of Labor of the Republic of Uzbekistan. (platform) creation is a process.

Another important aspect of the current situation is the implementation of measures to ensure the quality of alcohol consumed and the production of technical ethyl alcohol. The alcohol is transported in vehicles equipped with real-time automatic tracking systems (GPS) and the number of units installed at these enterprises is calculated. The electronic accounting system of the criminal justice system is integrated into the information system of the Criminal Justice Development Agency, but the purpose of using this system is to integrate it into the public health service organizations. The realization of this type of product, as a result of the previous four years, has been hampered by the fact that it has been banned for a long time.

It is noteworthy that the Decree of the President of the Republic of Uzbekistan No. PF-6033 "On the establishment of a management system in the field of the development and production of agricultural and forestry products and the regulation of their circulation" was adopted on July 23, 2020.

Article 10 of this Law stipulates that the production and sale of consumer and technical ethyl alcohol, alcoholic beverages and alcoholic beverages, their circulation, and their circulation shall be equipped with a real-time automatic tracking system (GPS) starting from

July 1, 2021. The calculation of the amount of tax is carried out by vehicles equipped with electronic accounting, integrated into the unified register of tax authorities.

Therefore, the information on alcohol transported by vehicles equipped with an electronic accounting system, equipped with a real-time automatic tracking system (GPS), is provided through the integration software of the "Electronic Government" system. The study provides an opportunity for the integration of the State Health Code with the health database, thereby providing a means of accurately determining the health database for the purpose of assessing the health of older people. The emergence of problems in the process of registering business entities suggests that today these instruments are being used to reduce the shadow economy. According to the analysis, the heads and founders of 2.9 million suspicious enterprises were analyzed on the official website of the State Customs Committee (this list changes frequently), and of these, 991 were 378 individuals who were simultaneously heads and founders (2-15 days), which is a significant increase in the illegal economy. It is natural for the world to serve as a place of worship.

Therefore, our Ministry of Justice, the Ministry of Internal Affairs, the Criminal Code, and the Criminal Procedure Code have integrated the laws on the establishment and management of organizations and leaders that have committed economic crimes into the legal database of criminal organizations. The Ministry of Agriculture, the Ministry of Internal Affairs, and the Ministry of Social Affairs have the right to appoint an expert to integrate the newly established entities or the head of the entity. This procedure, which is based on the principle of "one-day payment" and the appointment of a single leader, is considered to be a good way to reduce the number of cases of fraud.

One of the reasons for the emergence of the shadow economy is the unreasonable demand for quality and their abuse of the right to free speech. From a legal perspective, social needs are a sector, a means of education, a way of working, or the development of economic relations, which is aimed at strengthening a certain class through economic means, but the

next generation of such needs is a Recent studies have shown that these incentives serve to stimulate the development of economic activity based on secrecy, which in turn serves to promote the development of economic activity based on secrecy.

Another type of economic activity that is carried out secretly through financial instruments is the economic activity that is carried out by individuals who sell their rights to themselves on the basis of their private rights, and the analysis of the It shows that, by 2022 alone, the government has concluded 2.8 billion contracts to cover this deficit, resulting in a budget deficit of 100 billion. The creation of such conditions, which have led to the re-establishment of the middle and wealthy classes of the population, has led to a speculative situation in the housing market, which has led to the emergence of a shadow economy and the emergence of a shadow economy. The right to objectivity is an obstacle to the objective exercise of the right.

In addition, this provision applies to securities, charter capital shares (units), real estate buildings, and residential buildings that have been in circulation for more than 36 months. A ma l iyot d a is the requirement that the natural person pay tax and receive benefits. Because these individuals engage in commercial operations, in particular, they receive a share of the investment contract on the sale or construction of automobiles.

The right to sell the right to legal entities to individuals based on the principles of private law is reserved for individuals who have acquired the right to sell the right to legal entities.

It should be noted that the construction sector has the highest share of the hidden economy in the cross-sectional analysis. As mentioned in the previous chapter, studies conducted by the United Nations Development Programme have provided some qualitative evidence, and there is still much to be learned about the effectiveness of this approach. According to external sources (notaries), 3,359 construction companies sold residential properties to private individuals for a total value of 4,876.9 billion rubles in 2023, including 2,157 companies, 8,215 to foreigners for a total value of 2,164.1

process that requires a complex, multifaceted approach. By implementing effective financial instruments and supportive policies, Uzbekistan can attempt to formalize its economy, increase fiscal stability, and improve the welfare of its citizens.

foydalanish masalalari” Iqtisodiyot fanlari bo'yicha falsafa doktori (PhD) dissertatsiyasi avtoreferati Toshkent – 2024 yil 6-8-bet

Reference /Литература/Адабиётлар:

1. О.Маҳкамов. Ўзбекистон қонунчилиги таҳлили. 2014 йил, № 3-4.
2. Kottke K. «Gryaznye» den'gi – chto ehto takoe? Spravochnik po nalogovomu zakonodatel'stvu v oblasti «gryaznyh» deneg. М., 1998.
3. Абдуллина А.Р. Представители как субъекты уклонения от уплаты налогов с организации // Научная перспектива. 2016. № 10. С. 37-38.,
4. Вачугов И.В. — Уклонение от уплаты налогов, как составляющая теневой экономики: рост или сокращение? // Налоги и налогообложение. – 2019. – № 6. – С. 42.
5. Райзберг Б. А. Современный экономический словарь / Б. А. Райзберг, Л. Ш. Лозовский, Е. Б. Стародубцева. – М. : ИНФРА-М, 1997. – 496
6. Ефимичев П.С. Предмет и пределы доказывания по уголовным делам о налоговых преступлениях // Журнал Российского права. – 2000. – №9.
7. С.Л.Нудель. Вопросы квалификации уголовно-наказуемого уклонения от уплаты налогов и (или) сборов. Научные ведомости № 2(33), 2007.
8. Уклонение от уплаты налогов. Проблемы и решения: монография для магистров, обучающихся по программам направления «Финансы и кредит» / И.А. Майбуров [и др.]; под ред. И.А. Майбурова, А.П. Киреенко, Ю.Б. Иванова. – М.: ЮНИТИ-ДАНА, 2013.-с.383.
9. Ўзбекистон Республикаси Иқтисодиёт ва молия вазирлиги ҳузуридаги Солиқ қўмитаси маълумотлари. www.soliq.uz.
10. L.E.Rahmanovning “Xufyona iqtisodiyotni ulushini kamaytirishda soliq instrumentlardan samarali