

"THE IMPACT OF THE TAX SYSTEM ON ECONOMIC GROWTH: AN ANALYSIS ON THE EXAMPLE OF UZBEKISTAN"

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Annotation: in this article, the impact of the tax system on economic growth is studied on the example of Uzbekistan. Taxes are important in the formation of the state budget and have a direct impact on economic growth. The thesis analyzes the features of the tax system of Uzbekistan, the impact of tax policy on economic growth, the impact of tax burden on entrepreneurial activity and international experiences. Recommendations for improving the tax system will also be developed.

Keywords: Tax rates, tax burden, tax size, "Booking.com", Apple, Meta.



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Introduction

The tax system in the Republic of Uzbekistan has been consistently improved since the years of independence and has a direct impact on the economic growth of the country. The effectiveness of tax policies is closely related to such important factors as attracting investments, developing entrepreneurial activity and increasing the level of employment. Economic activity can be encouraged by streamlining tax rates, benefits, and administrative processes. The concept of improving the tax policy of the Republic of Uzbekistan, adopted in 2018, is the most important conditions for the rapid development of the economy and improvement of the investment attractiveness of the country, to consistently reduce the tax burden, simplify the taxation system and improve tax administration.

At the same time, the results of the studies showed a number of systemic problems in this area, which prevent a single increase in economic growth, increased business and investment activity, the formation of a healthy competitive environment, as well as ensuring the necessary level of aggregation of taxes and other mandatory payments, in particular:

- first, the high level of tax burden for payers of universal taxes, as well as the perceived difference in the level of tax burden between economic entities that pay taxes in a simplified and universal system of taxation;
- secondly, the inefficient system of levying value added taxes, the presence of mandatory payments that attract the working capital of taxpayers, as well as lead to an increase in the intermediate and final value of the Consumer Product, and prevent the development of cooperation between large and small businesses;
- thirdly, the high tax rates of the labor remuneration Fund, which leads to the fact that taxpayers hide the real number of employees and the labor remuneration fund;
- fourth, the widespread practice of supporting economic entities at the expense of tax and customs, including benefits of an individual nature, negatively affecting the provision of healthy competition due to the lack of an effective system for monitoring and monitoring the effectiveness of benefits;
- fifth, the lack of improvement of mechanisms of information exchange between state bodies and organizations, forms and methods of electronic tax administration and tax control;
- sixth, the absence of a clear system of risk analysis and management in the implementation of control activities, which negatively affects the quality of the control activities carried out and prevents the reduction of interference in the activities of dishonest business entities;
- seventh, as a consequence of the inefficiency of the mechanisms of administration of local taxes and levies, their insufficient level of aggregation, as well as the absence of full accounting and objective determination of the value of real estate and land plots.

LITERATURE ANALYSIS AND TECHNIQUES

1. The amount of tax paid to the state does not completely return to the payer himself, that is, he is an unqualified cash payment. Russian economist A. Medvedev published his book "How to plan taxes?", which records two tax-specific characters, such as coercion and non-equivalence. The theories of the majority of Western economists are attributed to the English economist J. M. Based on Cairns' concept. By the concept taxes have the functions of a means of regulating, stimulating and managing income in the economy in addition to the fiscal function, these functions of the tax arise from the need to use it as a means of regulating the economy and ensuring economically sustainable growth. L., representatives of the direction of neoconservatism. Harroth, N. Calder, A. Hansen and P. According to the Samuelsons, taxes have the function of regulating the economy. They believe that this function can be fulfilled by changing tax rates and making various benefits. N. on the formation of the theory of taxes. It is appropriate to cite the following views of Turgenev. —We will not be completely superfluous, as it is not enough to study the theory of taxation, which serves as the basis of Finance in the current period, when there is a lot of talk about finance and little writing. In the natural or wild state of mankind, there was no need for taxation. The formation of a community (society) from one, then several gangs at first confirmed the need for individual (private) sacrifice, that is, charity, between people for the benefit of society. While these sacrifices were initially in the manner of performing simple fists or giving away part of the fruit, later as society improved they also became more perfect and reached their present state.

It should be noted that until now, no other method of forming the financial funds necessary to fulfill the functions of the state has been used in world practice than taxes. So, as long as the state exists as the dominant force, taxes are valid as a method of financing. It is known that the economic life of society consists of very complex economic phenomena, and this complexity also applies to direct taxes, which necessitates a thoughtful understanding of the economic nature of taxes. Taxes indicate a monetary relationship, representing mandatory payments. This relationship is between taxpayers and the state that makes them their property. Taxes, which are considered the main source of budgetary income for the state, are of great importance. Views on Taxation have historically been shaped by the influence of objective and subjective factors. It is necessary to analyze various definitions of taxes, substantiate their essence in the process of concrete economic and social

progress, determine the economic role of taxes and the principles of taxation that underlie tax legislation, and determine the position of taxes that exist in the tax system, in the development of society. Because, with the advent of the state, taxes were considered one of the necessary requirements for economic relations in society.

Analysis and results

Of course, the impact of taxes on the economy is great, while it became known how much foreign companies providing electronic services in Uzbekistan paid in nine months of 2024. This was reported by the press service of the Tax Committee.

In January-September, the total amount of taxes paid by 61 foreign companies in the country amounted to 101.9 billion soums. The indicator is 2.1 times higher than in the corresponding period of last year. 99.9% of the taxes paid fall on the contribution of 10 foreign companies providing electronic services.

With Rs 41.1 bn in the first half-year, Meta was the highest paid foreign company. It was followed by Google with Rs 26.1 crore and Apple with Rs 22.6 crore. Also, the volume of taxes paid by Amazon during this period amounted to 3.7 billion rubles, "Booking.com" at Rs 2.2 crore. The following graph shows these data:

1-graph. In January-September, the total amount of taxes paid by 61 foreign companies in the country amounted to 101.9 billion soums. The indicator increased by 2.1 times compared to the corresponding period last year

Amendments were made to the tax code of Uzbekistan. Excise tax rates on alcohol, alcohol and tobacco products, gasoline, building materials are changing. Excise taxes are being introduced for drinks, as well as new fees.

For 2024, rates on income tax (15 percent, 20 percent for certain categories), income tax on individuals (12 percent), Social tax (budgetary organizations 25 percent, others 12 percent), turnover tax (4 percent), as well as fees for transit of cars across the country and fees for the right to sell alcohol were retained.

In addition, the rates of VAT (12 percent), excise tax for mobile services (10 percent), land tax for agricultural land (0.95 percent) and property tax for legal entities (1.5 percent) do not change.

Changes

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Excise taxes on alcoholic products produced (vodka, cognac and other alcoholic beverages) will be increased from July 1 to 5%—from 38 thousand rubles to 40 thousand rubles, other wines, including vermouth — up to 2310 rubles, beer—up to 1628 rubles. The excise tax on imported alcohol is reduced to 5% — up to 101.5 thousand soums, on imported natural wines up to 28.5 thousand soums, on other wines — up to 40.6 thousand soums, up to 50% on beer, (but must be at least 12.2 thousand soums).

Excise tax rates on manufactured tobacco products (cigarettes, cigars, hookah tobacco, snus, etc.

Conclusion

At the same time, the level and structure of the tax burden are important factors affecting entrepreneurial activity, the volume of investments and the standard of living of the population. The optimal level of tax burden is important in creating a tax system that meets the requirements of economic growth and financial stability. Many tax benefits applied on a Republican scale and on a local scale complicate the tax burden. Such benefits are used by certain categories of individuals

and legal entities. As a result, uncharted tax amounts are assigned to legal entities and individuals who do not use tax benefits. The psychological aspect of this is that the leaders of enterprises come to the conclusion why we have to pay the tax that others do not pay. This conclusion arises in practice an attempt by taxpayers to minimize tax payments in violation of legislation. In conclusion, it is worth saying that the improvement of the tax system of Uzbekistan has a positive effect on economic growth and serves the sustainable development of the country. It also shows positive results to the country's budget.

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