

THE SIGNIFICANCE OF TAXES IN THE STATE BUDGET: ANALYSIS OF NATIONAL AND WORLD PRACTICE

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All of the most urgent problems in the framework of budget policy can be traced back to the involuntary budget deficit. It is possible to assess the state of budget policy at the macro level only by looking at its level. At the same time, the level of the budget deficit is important in determining the financial independence of any country. It should be at a certain level (norm). If the level of the budget deficit exceeds the generally recognized (generally accepted) level (norm), it poses a serious threat to the independence of the country.

Reforms related to the use of effective mechanisms in the formation of State budget revenues and expenses, increase of tax revenues of the State budget and their rational use are being carried out in our country from year to year. President Sh. Mirziyoyev stated that "... the main idea of the new tax concept is to reduce the tax burden and use a simple and stable tax system. Through this, it is possible to increase the competitiveness of our economy, to create an all-round favorable environment for entrepreneurs and investors" [1]. It should be recognized that local taxes also play a role in achieving these goals.

In each country, the importance of local taxes in meeting public needs and stimulating local development is taken into account. It is necessary for local self-governing bodies to provide income from their own sources, that is, from local taxes, in accordance with the expenses in their budgets. In this case, when creating an effective mechanism for the budget in the formation of revenues from local taxes, it is necessary to take into account the tax burden on taxpayers, otherwise the dissatisfaction of taxpayers can have a negative effect on the efficiency of the tax system. Studying the international experience and adapting it to our national practice, taking into account the mentioned aspects, will serve to increase the income of local taxes in our country. It should be noted that many scientists have conducted research on the importance of local taxes, their specific features and their role in the formation of the budget. In particular, according to Lars P. Feld, Friedrich Schneider, state and local taxation sometimes provides discretion in determining the rates and bases of local taxes at the local government level and provides for the financing of public services at the state and local level.

Tax systems, which have been formed for a long time and are well formed in developed foreign countries, are rapidly developing under the influence of changes in both the national and world economy. Analyzing changes in the tax system of foreign countries and identifying their development trends is important for improving tax policy and tax regulation in Uzbekistan from the point of view of creating a more favorable tax environment and improving tax legislation.

Successful examples of targeted use of taxes to improve the structure of the country's economy and regulate the development of organizations can be observed in Western Europe, America and Asia (Japan, China, South Korea). There are many common features in the policies pursued by the governments of these countries, although they have solved different problems: Europe, Japan - industrial recovery after the Second World War; China, South Korea - despite facing problems such as industrialization [2].

Governments in almost all countries of the world have chosen priority sectors for investment. Tax and other benefits were given to these industries. In Japan, at the beginning of the XX

century, the metallurgical and coal industry were the priority industries, and in the late 1950s - the automobile industry. In Western Europe, priority was given to the construction of railways, hydraulic engineering and land reclamation facilities; creation of new means of transport and communication; development of natural resources; organization of innovative types of production (aviation, space industry) and others are given great attention. For example, currently, in Europe and the USA, land and property taxes are set annually in the range of 0.5-1% of the object's market value. East Asian countries such as China and the Philippines have property tax rates of around 1-2%, while South Korea's annual property tax is between 0.15-0.5% of the property's value is determined. Many sub-Saharan African countries have different tax rates for different asset values, for example, land tax in Kenya can range from 10% to 30%. Rates may be much lower in other African countries. For example, in Rwanda, title users pay land and building taxes at 0.1% of the asset value [3].

Thus, the experience of many foreign countries proves the possibility of successfully solving the problems of economic structure reform under certain conditions. However, there are some doubts about the possibility of directly transferring the presented experience to Uzbekistan. The tasks facing foreign countries are different from those of Uzbekistan, and the initial positions are not the same. Differences between countries, especially the size of the economy, should be taken into account. Some countries have to specialize in one or more sectors due to the lack of resources for the development of all types of industry and services. Uzbekistan has sufficient labor and natural resources, as well as a large internal market. However, it should be noted that the experience of other countries can be used to improve the structure of the economy, only in a number of areas, taking into account the specific characteristics of the economy of Uzbekistan.

As a result of the analysis of tax regulation in foreign countries, we came to the following conclusions. Tax systems of foreign countries perform not only fiscal, but also regulatory functions. The current tax mechanism provides revenues to the state budget, and also serves to develop small businesses, to stimulate investments and science-intensive production. Taxes are designed to attract private capital and stimulate business activity. There is a sufficiently developed system of investment promotion. In addition to state subsidies, tax incentives are also effectively used for this purpose: almost all countries with a developed market economy use tax incentives to modernize production, encourage investment in practical and fundamental research; in the tax legislation of Great Britain, France, Germany and other countries, there are provisions on the full inclusion of private firms' research and development expenses in the cost of production, which significantly reduce the amount of taxable profit. In the coming years, the improvement of the tax system of Uzbekistan should be aimed at creating a more favorable tax climate for foreign countries, contributing to economic growth, attracting both foreign and local investors, and developing the production sector, small and medium-sized businesses and thus, by analyzing the importance of local taxes in the formation of the income of local budgets and the international experience in this regard, we can make the following scientific conclusions and suggestions.

First of all, it is necessary to give a certain degree of freedom to local self-governing bodies in the formation of revenues from local taxes and the implementation of local budget expenditures. The granting of such freedom has a positive effect on the socio-economic development of the region. Secondly, in international practice, we can see that the

composition of local taxes and fees varies across countries. Differences are also observed in terms of taxable objects and taxable bases. By studying the international experience, it is necessary to take into account the above-mentioned factors while adapting its useful aspects for our national practice. Otherwise, the tax burden may increase and have a negative impact on taxpayers. Thirdly, tax culture and local conditions should be taken into account when forming an effective mechanism for local taxes, as this is an aspect that affects tax collection. Fourthly, in international practice, the share of local taxes in the State budget in developed countries is dramatically higher than in developing countries. It can be said that the share of local taxes in the State budget to a certain extent indicates the economic development of the country and the level of income of the population.

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