

ANALYSIS OF THE TAX SYSTEM OF UZBEKISTAN

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Abstract: *The tax system of Uzbekistan has its own characteristics, and it can be compared with other Asian countries. Income tax: In Uzbekistan the rate is 7.5%, which is lower than in many other countries. Personal income tax: The rate is 12%, which is also relatively low. Social tax : For budgetary organizations - 25%, for others - 12%. Turnover tax: Rate - 4%.*

Keywords: *tax system, personal income tax, social tax, budgetary organizations, turnover tax, rate.*

Introduction

From January 1, 2024, the excise tax rate on alcohol will double - from 7,400 to 14.9 thousand soums per liter. The excise tax on alcoholic beverages will increase from July 1 by 5% - from 38 thousand to 40 thousand soums. The excise tax on imported alcohol is reduced by 5%. Excise tax rates on tobacco products increased by 12%, and on imported cigarettes they were reduced by 5%. An excise tax on carbonated drinks is introduced - 500 soums per 1 liter. In the tax burden ranking, Uzbekistan ranks 69th with a tax burden of 46.2% of profits. It is inferior to the USA (25), Germany (46), but ahead of Greece (72), China (105), Kazakhstan (64) and many other countries.

Analysis of the dynamics of tax revenues in Uzbekistan. Positive trend : There has been a steady increase in tax revenues in Uzbekistan in recent years. 2022 : Compared to 2021, the growth was 16% (or 20.4 trillion soums). 2023 : In the first 2 months of 2023, growth compared to the same period in 2022 was 18.1%. Exceeding forecasts: In 2022, tax revenue forecasts were exceeded by 4.2%. Economic growth: Increase in Uzbekistan's GDP. Expanding the tax base: Introducing new taxes and increasing the rates of existing ones. Improving administration: Improving the tax control system and reducing the shadow economy. Direct taxes: 2022: Growth by 9.4% (or 5.5 trillion soums). Main

sources of growth: Corporate income tax. Personal income tax. Indirect taxes: 2022: Increase by 18.5%.

There is a significant difference in tax revenues between regions. Level of economic development of regions. Economic structure. Efficiency of work of tax authorities. In 2021: Introduction of new taxes and increases in the rates of some existing taxes. Result: Tax revenue growth in 2021 by 23.5% compared to 2020. Measures to improve the system: Expanding the tax base: Introduction of a real estate tax. Fighting the shadow economy. Reducing the tax burden: Reducing the corporate income tax rate. Introduction of benefits for certain categories of taxpayers. Stimulating economic growth: Tax incentives for investments in priority sectors of the economy. Improving the tax administration system: Introduction of electronic tax accounting and reporting systems. Strengthening control over compliance with tax legislation. The dynamics of tax revenues in Uzbekistan are positive. There is an increase in both the total volume of taxes and individual types. There are regional peculiarities in tax revenues. Changes in legislation have an impact on the dynamics of tax revenues. To further improve the taxation system, it is necessary to implement a set of measures aimed at expanding the tax base, reducing the tax burden, stimulating economic growth and improving the tax administration system. Regional features of taxation in Uzbekistan Uneven distribution of tax revenues: Significant difference : There is a significant difference in tax revenues between the regions of Uzbekistan. Coefficient of variation: In 2022, the coefficient of variation of tax revenues by region was 35%. Leading regions: Tashkent, Tashkent region, Fergana region. Outsider regions: Surkhandarya region, Karakalpakstan, Navoi region. Factors that cause regional differences: Level of economic development: Regions with more developed economies tend to have higher tax revenues. Economic structure: Regions with a predominance of extractive industries tend to have higher tax revenues than regions with light industry or agriculture.

Efficiency of tax authorities: Regions with more efficient tax authorities tend to have higher tax revenues. Demographic Factors: Regions with higher population densities tend to have higher tax revenues. Consequences of regional differences: Uneven financing of regional budgets: Outsider regions experience difficulties in financing their spending obligations. Reduced incentives for business development: In regions with a higher tax burden, entrepreneurial activity may be lower. Increased social tension: Uneven distribution of tax revenues can lead to increased social tension in society.

Measures to equalize regional indicators: Improving the system of interbudgetary transfers: Increasing the share of transfers in regional budget revenues. Stimulating economic development of regions: Providing tax benefits and other preferences to investors operating in regions with a low level of economic development. Increasing the efficiency of tax authorities: Strengthening control over compliance with tax legislation throughout the country. Changes in tax legislation may lead to

changes in regional tax revenues. The introduction of a property tax in 2021 has led to an increase in tax revenues in regions with high property prices. Regional features of taxation in Uzbekistan have a number of problematic aspects. It is necessary to implement a set of measures aimed at equalizing regional indicators of tax revenues. This will improve the efficiency of the country's budget system and create conditions for sustainable economic development of all regions.

Problems and prospects for the development of the tax system of Uzbekistan. Imperfection of the structure of tax revenues: Low share of direct taxes. High share of indirect taxes. A small share of personal property tax. High tax burden : For some categories of taxpayers. Does not stimulate investment and economic growth. Imperfection of the tax administration system: Low level of tax collection. Shadow economy. Corruption in tax authorities. Insufficient use of information technology: In the work of tax authorities. Underdevelopment of the tax control system: Insufficient control over transfer pricing. Ineffective use of tax control tools.

Improving the structure of tax revenues: Increasing the share of direct taxes. Reducing indirect tax rates. Introduction of a property tax for individuals. Reducing the tax burden : To stimulate investment and economic growth. Improving the tax administration system: Increasing the level of tax collection. Fighting the shadow economy. Reducing the level of corruption in tax authorities. Expanding the use of information technology: In the work of tax authorities. Development of the tax control system: Strengthening control over transfer pricing. Increasing the efficiency of using tax control tools. Implementation of international tax standards: OECD. IMF. Improving tax culture: Conducting educational campaigns. Improving the quality of tax education. Increase in tax revenues to the budget. Stimulating economic growth. Reducing the level of the shadow economy. Increasing the investment attractiveness of the country. Improving the business climate. Poverty reduction.

Uzbekistan has adopted the Tax System Development Strategy for 2023-2025. The strategy provides for the implementation of a set of measures to solve problems in the tax system. It is expected that the implementation of the Strategy will create an effective and fair tax system that will contribute to the development of the country's economy.

The tax system of Uzbekistan has a number of problems that require solutions. There is significant potential for the development of the tax system. The implementation of the measures provided for by the Tax System Development Strategy will create a modern and effective tax system that will contribute to economic growth and improve the well-being of citizens of Uzbekistan..

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