

CONCEPTUAL FOUNDATIONS AND CONDITIONS FOR ENSURING AN EFFECTIVE TAX MECHANISM FOR THE DISTRIBUTION OF VALUE ADDED

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<https://doi.org/10.5281/zenodo.7868445>

Abstract. *The process of economic liberalization, the aggravation of fiscal policy problems and the increase in the tax potential of taxpayers, the use by the state of effective means of modernizing the tax system in many ways, the distribution of added value also directly depends on the organization of an effective tax mechanism. It is important to study the directions of organizing an effective tax mechanism for the distribution of added value as a separate direction of the reform of the tax system, which today causes a lot of discussion. Based on this, this article discusses the issues of value added taxation.*

Keywords: *national economy, budget, state budget, local budget, budget system, budget revenues, budget expenditures, tax, tax system, value added tax, fiscal policy, macroeconomic stability.*

Introduction. In order for enterprises to function effectively, it is necessary that all elements of the economic mechanism work perfectly. It is in this direction that special attention should be paid to the procedure for calculating and paying value-added taxes. Studying the experience of developed countries in improving the system of calculation and payment of value-added tax is a priority.

President Of The Republic Of Uzbekistan Sh.As Mirziyoev noted," tax administration should be such that even if the value-added tax is widely introduced, this condition is not necessarily and is necessary to lead to an increase in the price of consumer goods " [1].

The introduction of Value Added Tax into the tax practice of our republic has created a stable source of formation of state budget revenues. Value Added Tax is the most basic financial resource, as in many developed countries, in the formation of state budget revenues of our republic. From this, the existing problems in this tax mechanism have a serious impact on the tax system and the formation of state budget revenues.

The fact that the theoretical, methodological and practical aspects of the issues of effective formation of the tax mechanism for the distribution of value added in Uzbekistan have not been sufficiently studied as a special, independent object of study determines the relevance and scientific and practical significance of the chosen topic.

Literature analysis. Currently, the concept of the "tax mechanism for the distribution of value added" in the practice of our country solik is extremely controversial in the economic literature. The main reason for this is that this phrase is derived from foreign experience and research, the translation of which has not always been anic.

Our scientists and practitioners, who make a worthy contribution to the development of the national tax system and taxation practices of our country, are also in a hurry. For Example, I.Zavalishina, in her manual "taxes: theory and practice", states that VAT is placed on top of the product without adding to the sale price and paid by the buyer, which does not affect the costs and

profitability of timely production; the object of tax totality states that the determination of the product at a single tax rate during the entire production process prevents the accumulation of the tax amount at the final stage of product sales and prevents repeated accrual in the taxation process; VAT also performs the function of integration using the maintenance of a single tax policy of all types of states[4]. T. S. Malikov believes that because VAT is considered a consumption tax, its ideal base, i.e. total final consumption costs, are stable for some time during business cycles, implying that the VAT base is also stable[5]. O. In practice, olimzhonov dwell on his research on the fact that VAT revenues are sometimes calculated much more impressively in relation to GDP or final consumption [6]. A. Zhuraev is usually a turnover on the realization of the VAT object, and from the existing approaches to calculating the tax base (type of value added, type of income and type of consumption), the type of consumption will dwell on his research on the most widespread use. In his opinion, VAT is usually not intended to tax value added or income, but rather to tax consumption, and is calculated by the value of each transaction carried out, that is, the goods or services sold (purchased) (excluding the value of the goods and services provided) [7].

Russian specialists A. Perov and A. Tolkushkins VAT is a category of economic value that forms a certain economic relationship in itself. It is believed that such an economic attitude is expressed by the action of value[9].

Researcher Sancak C. "...in its essence, VAT is considered a consumption tax because of its ideal base, that is, the total final consumption costs are stable for some time during business cycles, which implies the stability of the VAT base as well"[10].

Despite the fact that a number of studies have been carried out on the methodological basis of calculating VAT and transferring it to the budget, such issues as the stimulating function of VAT and, at the same time, its role in reducing the scale of the hidden economy remain insufficiently studied.

Methods of research. The methodological basis of the study is the laws and regulatory documents of the Republic of Uzbekistan on the directions of formation of an effective tax mechanism for the distribution of value added in the Republic of Uzbekistan, fundamental works of the president of the Republic of Uzbekistan, forecasting of tax revenues of the state budget, state tax policy, economic theory and socio-economic systemology.

In the process of scientific research, a gurukhlah, a systematic comparative taxing and Ridge approach, economic-mathematical models, correlation, regression, expert and comparative taxing, forecasting, statistical development of data, methods of gurukhlah and other modern methods are used.

Main part. Tax relations are the most important component of financial relations, but they have their own characteristics inherent in direct and indirect taxes. This thing allows you to pre-define the logic of research in this paragraph of the study in the following sequence:

- determination of the author's position on the important content of the concepts of "indirect taxation" and "indirect taxes" on the basis of taxation theories for the purpose of regulating the conceptual apparatus;
- determination of the functions of indirect taxes, their role and place in the tax system based on distinguishing classification signs;
- clarification of the principles of operation of indirect taxes in the conditions of modern tax reform;

- determination of the role and place of Value Added Tax in the system of indirect taxes.

The "permeability" of taxes is possible only in the exchange process, as a result of which prices are formed (Figure 1). Through exchange and distribution processes, the taxpayer has the opportunity to transfer the tax burden under the law to another person - the consumer.

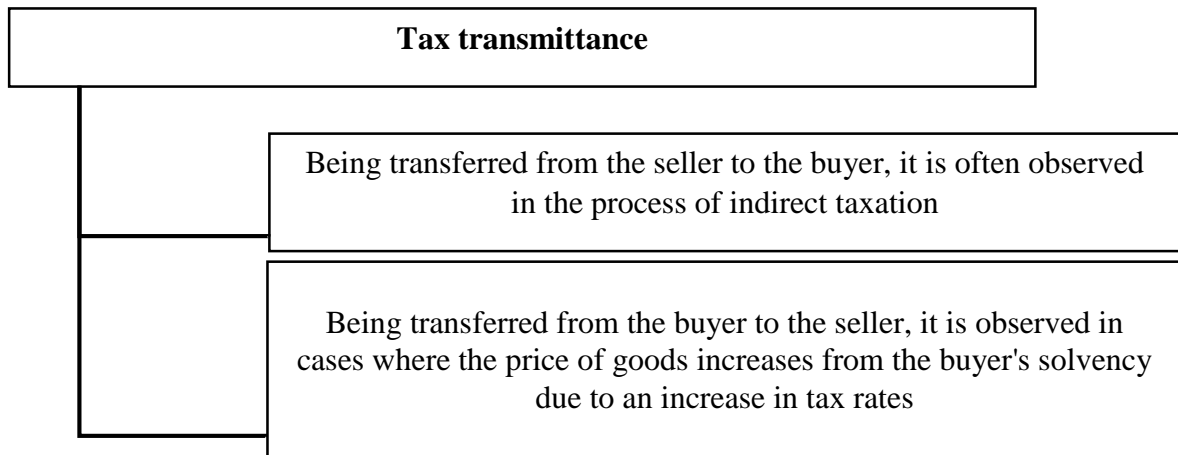


Figure 1. Types of tax permeability

Indirect taxes are held during the movement of income and the turnover of goods and works. These taxes are available in the form of a surcharge on the price of goods or tariffs for work performed, services, and are paid by the consumer. In the process of implementation of the manufacturer or the owner of goods and works, together with the price, the tax amount from the buyer, he receives the copies that will eventually be transferred to the state. As a result, indirect taxes in society are often referred to as taxes on consumption. From this comes the conclusion that indirect taxes are intended to impose the real tax burden on the final consumer. In the process of indirect taxation, the seller of a good (work, Service) is a tax subject, which acts as an intermediary between the state and the person who is actually a taxpayer - the consumer of this product (work, service).

The main, initial and characteristic of all taxes is the fiscal function. Indirect taxes were originally introduced only to increase government revenues. The collection of indirect taxes is not affected by the economic downturn, since they are not directly related to the effectiveness of the activities of the economic entity, but depend on consumption, the volume of which dominates the savings. Consequently, the fiscal function is carried out both in a recession in the dynamics of production and in conditions of unprofitable functioning of the organization. Indirect taxes are the most convenient form of taxation in terms of collection. However, it is not easy for taxpayers to avoid paying them through illegal schemes.

The next function that manifests itself in indirect taxation is regulation. Indirect taxes affect economic processes, trends, Export-import relations, demand, supply and consumption, and thus stimulate or stop the production of certain goods, works and services. With the help of an indirect form of taxation, it is possible to create favorable conditions for domestic producers.

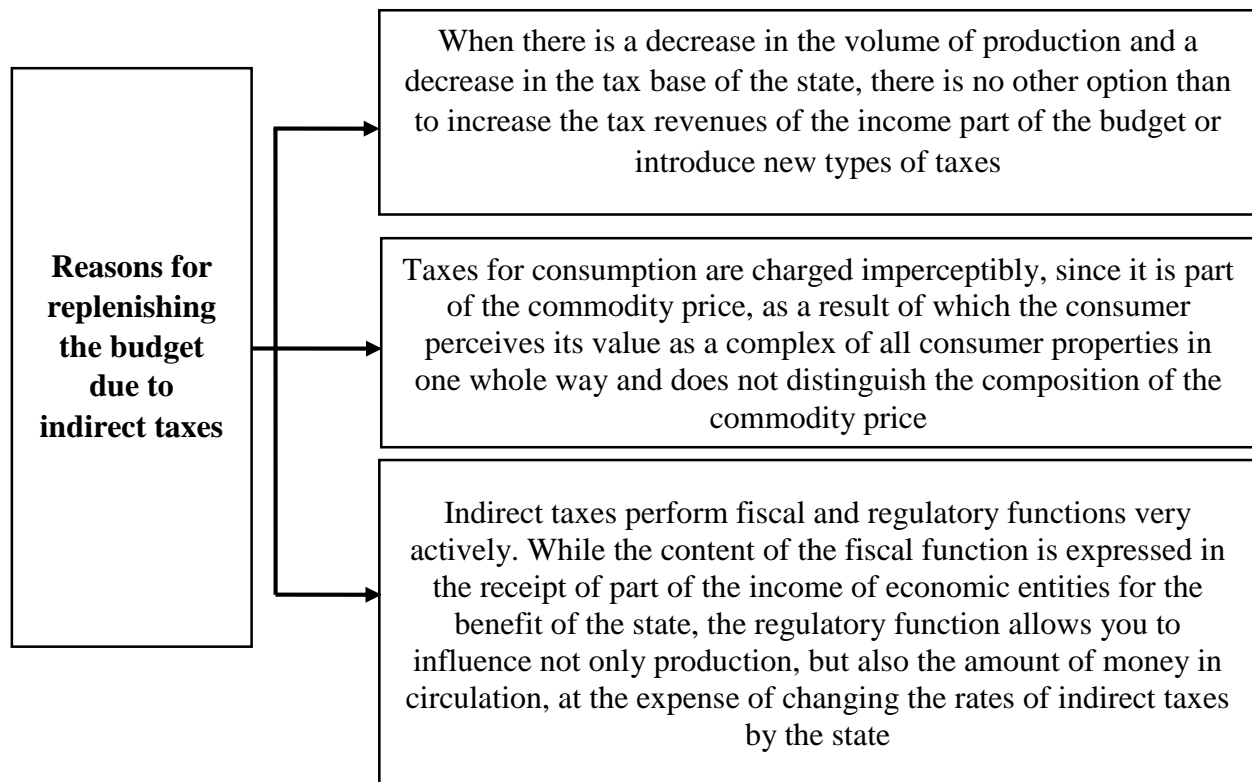


Figure 2. The initial basis for the use of the system of indirect taxes

Indirect taxes also have a social function that ensures the solution of certain socio-economic problems outside the scope of self-regulation of the market. This function aims to mitigate the social stratification trends of our society, and also refers to the problems associated with fair taxation, which are carried out through the following:

- increase the share of indirect taxation (increase taxation of persons with a large volume of consumption);
- application of excise duties and duties increased on non-essential goods;
- the introduction of excise taxes on goods that represent wealth.

Social function is based on a complex system of economic relations, which include vertical (government - taxpayer - republic - territory) and horizontal ties between economic agents, territories. The control function also applies to indirect taxes. It manifests itself by issuing invoices on VAT, through which tax authorities can agree throughout the entire production chain. From the above, it can be determined that the implementation and rational harmonization of the functions of Indirect Taxes has a significant impact on the formation of the budget income base (Figure 2).

The economic nature of indirect taxes and their functions are closely related to the mechanism of pricing. The correlation of indirect taxes and prices is due to the role of these two economic categories in the process of reproduction. If the price reflects the value of all products produced, work performed and services rendered, then the tax is part of this value, one of the elements of its distribution and redistribution.

The influence of indirect taxes on the formation of financial results of organizations is evident, since with an increase in the cost of sales to the amount of taxes, the effective demand of consumers decreases, which in turn negatively affects the supply. Thus, if the price of goods, taking into account indirect taxes, is too high, demand will decrease, since some buyers will switch to substitute goods, and the second to similar goods from other manufacturers. In order to keep

consumers, the business entity is forced to keep the price level, fulfill tax obligations to the budget and reduce its profits.

In a general way, indirect taxes and, in particular, value-added taxes, in the process of theoretical analysis of their essence, the following conclusions can be drawn that clarify the features of their economic content:

1. The description of the qualitative characteristics of indirect taxes finds its expression in the socio-economic and legal relations of the taxpayer with the state and the formation of financial resources of the state through the bylaws established by law on the price of goods or tariffs for services in order to create and assimilate relevant social and collective values and benefits.

2. VAT as one of the types of indirect taxation is of great importance in the formation of the income base of budgets in comparison with taxes such as excise duties, customs duties. At the same time, at least three specific characteristics of VAT can be formed. First, the taxable turnover does not include tax amounts previously paid by the payer (the main difference between VAT and the previously current "cascade" turnover tax, the rate of which is applied to the gross value of the goods accumulated at all stages).

Secondly, the taxable turnover and tax are taken into account and are displayed separately on the accounts of organizations as part of the cost of goods.

Thirdly, the entire turnover is subject to tax, but only part of the tax corresponding to the value added by the taxpayer is paid to the budget.

In general, it can be said that each area of tax relations has its own system of taxation principles that form the basis of the construction of the tax system.

Consideration of various interpretations of the tax mechanism in the economic literature, the lack of a systematic approach to the understanding of its structural elements, the incompatibility of the characteristics of their content led to a clash of taxpayers, tax authorities and state interests in general, taxation, in particular, indirect taxation. Entrepreneurial interests are aimed at developing production, attracting investments, increasing the volume of sales, at the same time reducing the tax burden, and the state is interested in increasing the volume of collection of tax payments in order to ensure the stability of the budget system. The development of the principles of openness and transparency in the organization of tax relations predetermines the feasibility of distinguishing a structural element in the tax mechanism, such as achieving a proportionality between the fiscal and regulatory functions of indirect taxes and an assessment aimed at ensuring the parity of state (municipal), corporate and personal interests of the subjects of tax relations.

Conclusions and suggestions. In our opinion, the economic content of indirect taxes, on the one hand, should be considered as a system of monetary relations between the state and individuals and legal entities, and on the other hand, they should be considered as a relationship arising in the process of redistribution of part of the value of the gross domestic product. From an organizational point of view, it is an imperative form of withdrawal of part of the income of individuals and legal entities by transferring the tax burden to the final consumer through an assessment mechanism. The qualitative reliability of curved taxes as a specific area of financial relations is associated with the formation and use of the state budget, a fund of centralized financial resources of the state, to solve the most important socio-economic problems of the development of the country.

Indirect taxes are taxes levied on consumer spending. In contrast to the correct (indirect) taxes, in the collection of oblique taxes, the subjects of this relationship and process are not real payers (taxpayers), but state and formal taxpayers. The payers of curved taxes are consumers of goods (works, services). Indirect taxes will only be levied when the need for spending arises and will be included in the cost of goods. The peculiarity of this tax is that if the account is carried out in one place (by the seller), then it is deducted in another (by the buyer). In addition, these two actions must occur simultaneously.

It should be noted separately that the main criterion for assessing the actions of a taxpayer who requires a VAT deduction is the presence of a direct connection between the buyer's right to withhold the tax and the mandatory fulfillment of the supplier's obligation to pay VAT to the budget. It corresponds to the right. The correspondence of the right of the buyer to retain VAT with the tax obligation of the seller to levy this tax on the budget is the implementation of the principle of "mirror" (symmetry) of VAT activity.

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This principle ensures the maintenance of tax revenues to the budget, since the decrease in the amount of tax payment by one taxpayer is compensated by the fact that it is paid by another taxpayer. So, to obtain VAT in the form of return (calculation). tax relief, it is necessary to create a source of funds in the budget for the return.

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