

Nomazov Baxrom Bobomuradovich,
Independent researcher of the Innovative Economy department of the
Karshi Institute of Engineering and Economics

ADVANTAGES OF MODERNIZATION OF THE TAX SYSTEM

Abstract: In the article, the content, advantages and importance of the modernization of the tax system in Uzbekistan, description of directions, today's features and problems are considered from the point of view of the operational measures of the conceptual basis of the tax policy of the state.

Key words: tax, tax system, tax system, tax system reform, tax system modernization, taxation, principles of taxation.

It is known that modernization, modernization (French moderne - the newest, modern) means updating something, giving it a modern touch, changing it according to modern requirements. Different definitions of the concept of "modernization" are given in scientific literature, its immanent features and role in social development are highlighted. European scientists and specialists focus on revealing aspects of modernization related to scientific, technical and economic development. Since the development of Europe takes place through scientific and technical discoveries and innovations, they pay a lot of attention to this side of the problem. Recently, such an approach is visible in countries that have entered the path of development and made modernization a strategic goal. So, modernization and innovation are becoming a global reality. The future destiny of humanity, economic and international integration is based on these realities.

Based on the generalization of these considerations, the content of the concept of "tax system modernization" can be interpreted as a set of state measures related to taxes, taxation, improvement of the existing or actual conditions and situations related to the tax system based on the requirements of the time.

One of the main institutional concepts of taxation in financial science - a single feature of the concept of "tax system" still does not exist. At the same time, terms such as "tax system", "tax system", "taxation" are often used in scientific literature. The Tax Code of the Republic of Uzbekistan, the main legislative document that regulates taxation issues in the Republic of Uzbekistan, does not reveal the meaning of the concept of "tax system". At the same time, taxes are considered to be a component of the financial and economic system of influencing the economy, and they are one of the important elements of the state regulation of the economy. It is worth saying that by creating a country's tax system, the state

tries to use it for certain financial and political purposes. As a result, a relatively independent direction - tax policy.

The tax policy embodies a set of economic, financial and legal measures of the state on the formation of the country's tax system in order to ensure the financial needs of the state and certain social groups of the society and to develop the country's economy at the expense of redistribution of financial resources. In this activity, the state relies on tasks specific to taxes and uses these tasks to conduct an active tax policy.

As a specific field of human activity, tax policy belongs to the category of social management system. There is an integral relationship between it and the economic base of society. On the one hand, tax policy arises in connection with economic relations, as a component of the financial policy of society, it is not free from the development and implementation of policy, and policy is determined by the economy. On the other hand, the tax policy, which was created and developed on the basis of the economic base, will have a certain independence as a component of the financial policy: its own laws and logic of development apply. Due to this, it can affect the economy and financial situation in different directions: in one case, favorable conditions for the development of the economy are created by carrying out political measures, while in others it stops.

The following factors influence the choice of a specific decision option in the field of tax policy:

- general economic situation in the country characterized by growth (decrease) rates of production;
- inflation rate;
- monetary and credit policy of the state.

The purpose of tax policy is formed under the influence of a number of factors, the most important of which is the economic and social situation in the country, the state of socio-political forces in society. In the current conditions, countries with a developed market economy are implementing tax policies to achieve the following important goals:

- participation of the state in regulating the economy and social reproduction aimed at stimulating or limiting economic activity;
- meeting the needs for sufficient financial resources for carrying out economic and social policy at all levels of government and for the fulfillment of the tasks assigned to the relevant authorities and management bodies;
- implementation of state policy on income regulation.

Tax policy formulation is based on two interrelated methodological conditions:

- use of tax payments to form the revenue part of budgets at different levels and to solve state budget tasks;
- use of tax as a method of indirect regulation of economic activity.

Practical activities for the implementation of these principles are ultimately aimed at ensuring economic growth, which is the main problem of the country.

The methods of implementation of tax policy depend on the goals that the state is trying to achieve by conducting this policy. The following methods are more common in modern world practice:

- a) changing the tax burden on taxpayers;
- b) replacing one form or method of taxation with another;
- c) changing the distribution area of one or another tax or the entire taxation system;
- d) inclusion or cancellation of tax benefits and preferences;
- e) introduction of a stratified system of tax rates.

The participation of the state in regulating the economy through tax policy is carried out with the help of tax rate, tax allowance, tax base, etc. In this, the state uses both direct and indirect tax means.

A typical example of a direct influence on the processes of promotion and regulation is through the use of tax incentives and preferences, through full or partial exemption from taxes. Full exemption from individual tax payments is usually used by the state to develop new sectors of the economy or areas of activity, to encourage investment in underdeveloped or disadvantaged regions of the country, and profit or income serves as their basis. Generally, exemption from such taxes is given for three to five years.

Unlike full tax exemption, partial tax exemption embodies a system of tax credits for a certain part of business income. This ensures selectivity and flexibility of state regulation of the economy. In particular, in such a situation, economic, financial and tax levers such as the creation of specific types of accelerated depreciation, tax rate reduced or differentiated over time against the general rules, extension and deferment of tax payment, various reserve, investment and other funds free from taxation and other tax benefits and preferences is used.

The tax rate is an important tool for the implementation of state policy in the field of income regulation. By changing it, the state can implement tax regulation by adjusting only the fixed rate without changing the entire tax legislation. In separate regions, separate industries and enterprises, tax policy for certain tax payer categories, a great effect is achieved due to differentiation of tax rates. The

tax rate ensures the mobility of financial legislation, gives the state the opportunity to quickly and effectively change priorities in the policy of income regulation.

If there is no tax, it is impossible to have a tax system and processes related to its operation. Let's consider their development and interaction schematically (Figure 3).

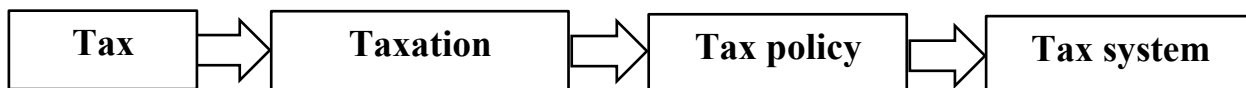


Figure 3. Concept development and interaction scheme related to taxation.

Taxes are payments that are compulsorily collected from individuals and legal entities at the discretion of the state in order to meet the state's and society's need for monetary resources in the amount and period established by law. As defined in Article 16 of the Current Tax Code, tax means a compulsory non-discriminatory payment paid to the State budget of the Republic of Uzbekistan or to the state special fund (called the budget system). Taxation is a set of measures to ensure that taxes are calculated and paid for taxable income, turnover, property, etc. based on the current tax legislation. Tax policy is an integral part of economic policy, and it is the activity of the state in the field of taxation aimed at specific goals in a certain period. It consists of the measures carried out comprehensively by the relevant authorities of the state, aimed at the introduction of taxes, the creation of a tax-related legal framework, the formation of a mechanism for the practical operation of introduced taxes and tax-free payments, and increasing their effectiveness.

In accordance with Article 149 of the Constitution of the Republic of Uzbekistan, a single tax system applies in the territory of the Republic of Uzbekistan. The right to introduce taxes belongs to the Oliy Majlis of the Republic of Uzbekistan.

The current tax system of the Republic of Uzbekistan is the main criterion for effective tax policy of the state.

It is determined that the tax system is uniform for all taxpayers in the entire territory of the Republic of Uzbekistan.

The main issue of the modernization of the tax system is to systematically research the conceptual foundations of the modernization of the tax system in the framework of the conceptual foundations of the state tax policy in the Republic of Uzbekistan, taking into account the future tasks of the socio-economic development of the country, and focusing on the "state fiscal goals" and the

incentive function of taxes is to develop an improved mechanism by coordinating and harmonizing the ratio of effective implementation mechanism.

Among the priority tasks of the tax system modernization research, the following should be distinguished:

- modernization of the tax system: research of its necessity, content, genesis and transformation in the current conditions;
- clarification of the conceptual bases and conditions of the modernization of the tax system;
- study of foreign experiences of effective tax system modernization measures;
- in the current conditions, to carry out an analysis of the laws of development of the modernization of the tax system of the Republic of Uzbekistan, its systemic problems and state measures to solve them;
- methodical approaches to assessing the efficiency of the tax system, analysis of efficiency assessment indicators;
- economic modeling of the factors of tax revenue execution and development of an integrated indicator of the efficiency of the tax system;
- Justification of the scientific and methodological aspects of the concept of modernization of the tax system of New Uzbekistan;
- scientific justification of the perspectives of forming an effective model of the tax system.

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