

## IMPROVING THE MECHANISMS FOR COLLECTING INDIRECT TAXES IN THE CONTEXT OF BUILDING A DIGITAL ECONOMY

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### ABSTRACT

*The organization of profit and its taxation play an important role in the financial relations of enterprises. In this article, the organization of profit and its taxation play an important role in the financial relations of enterprises. This article interprets profit as a key indicator of socio-economic development of the enterprise and is based on the need to form a profit tax for the state budget. The current situation with the taxation of profits is analyzed and the legal framework is considered. The views of leading scholars on profit and profit tax have been analyzed. There are also proposals and recommendations for the formation of profit and its object as a tax. The current situation with the taxation of profits is analyzed and the legal framework is considered. The views of leading scholars on profit and profit tax have been analyzed. Suggestions and recommendations on profits and their formation as a tax object are also formed.*

**KEYWORDS:** Profit, Profit Tax, Profit Tax Mechanism, Enterprise, State Budget, Digital Economy, Digital Technologies.

### 1. INTRODUCTION

Income tax as a financial and economic category is used to ensure socio-economic development, including as a factor in ensuring economic growth. It also finds its prospects in clearly defining the prospects of socio-economic development of the country and creating the conditions for its application in ensuring the effectiveness of the implementation of strategies and Action Strategies developed in the framework of its objectives.

Therefore, income tax, like other types of taxes, is of financial importance within business entities. This is useful in protecting the interests of the state, on the one hand, and the interests of all enterprises, on the other hand, as well as serving the development of the economy. As a result of reducing the tax burden, there is an opportunity to modernize production at the disposal of enterprises, to expand investment activities in order to increase its efficiency. Therefore, on the basis of improving the taxation system, as well as the tax mechanism, it is necessary to solve the problem of regulating the activities of business entities by improving the mechanism of taxation of profits.

### 2. ANALYSIS OF THE RELEVANT LITERATURE

Nowadays, the main goal of business entities of different forms of ownership is to try to get the maximum profit at the lowest cost. At the same time, if the enterprise has a strong payment discipline, it strives to avoid any penalties by paying taxes to the budget on time and pays taxes to the budget on time.

Profit is one of the main sources of income of the republican and local budgets, as well as the final

financial result of commercial entities. The growth of profit dynamics when prices are stable indicates that the enterprise is operating efficiently. The growth of profits will expand the financial strength of the enterprise, the creation of a fund for the development of production and social spheres, as well as opportunities for financial incentives for employees. The scientist, who deals with the formation and distribution of profits, pays for the services of entrepreneurial activity, that is, to skillfully combine resources for the production of goods and services, to make unusual management decisions, to introduce innovative products, to change the production process, as well as economic risk. is recognized as a reward for.

Russian economist N.V. Milyakov notes that profits are an important source of forming the budget of the enterprise, and at the expense of this source is carried out production and social development [1]. American economists B. Nidlz, X. Anderson, D. Caldwell interprets profit as an increase in invested capital as a result of running a business [2].

### 3. RESEARCH METHODOLOGY

This article examines the scientific works of foreign and domestic economists on the regulation of tax relations, the formation and use of profits in enterprises, income tax and its calculation methodology. In the analysis of the data of the Ministry of Finance of the Republic of Uzbekistan, the methods of grouping statistical data, comparative analysis, and sampling were used. As a research methodology, the methods of comparative analysis of the literature, logical and structural analysis, grouping and comparative comparison were used.

### 4. ANALYSIS AND RESULTS

The implementation of the curve as an object of taxation cannot be imagined without defining its fundamental foundations. To do this, first of all, it will be necessary to clarify the curve and the norms that apply to it, its economic boundaries. This situation is characterized by the development and implementation of mechanisms for the application of complex methods for the determination of the curve during 1992-2020 and the definition of its economic boundary corresponding to the object of taxation. [3]

In the current situation, the economic instruments of determining the curve are used in conjunction with the residual elements of the previous economic system and the procedures that are firmly rooted in the minds of the subjects of financial relations. The definition and distribution of the curve is further complicated by the fact that the definition of the object of taxation must simultaneously take into account the relevant changes in the legal, political and economic spheres in parallel. In general, the curve should be curved as a socio-economic indicator that what meets the public interest (through the distribution of the state budget) should be specific to the interests of enterprises and their employees or the part of the decentralized funds allocated from the curve.

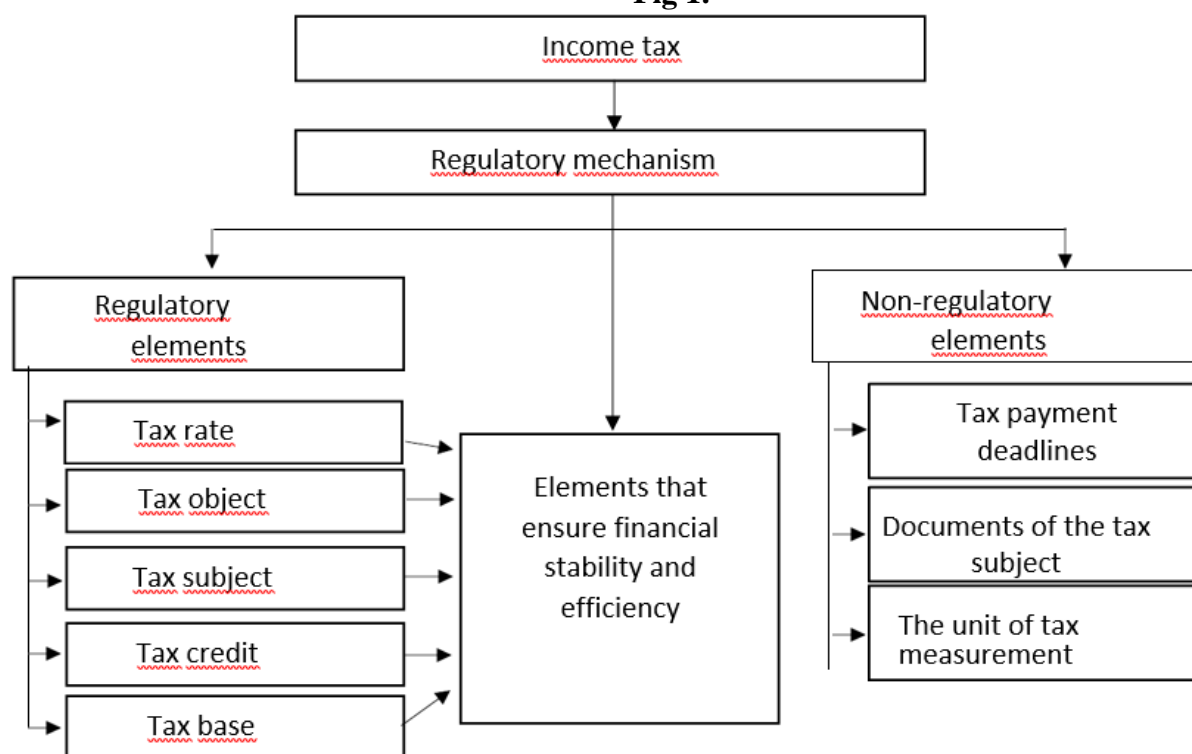
It is generally believed that in developed countries, enterprises and their employees have more advantages than meeting their socio-economic interests through budget allocations in a centralized way, that is, spending part of the curve on these interests [4].

In fact, it is. The transfer of part of the curve to the budget in the form of taxes and the receipt and spending of funds around those allocations in order to meet the interests of enterprises cause a lot of difficulties and conflicts. However, this does not mean that all curves should be distributed decentralized, but does require that revenues through tax rates be arranged to take into account both interests. Therefore, the study of the impact of the mechanism of taxation on the financial performance of enterprises operating in our country on the growth of budget revenues, the identification of existing problems and the search for science-based solutions is a very important issue. This is where the term "mechanism" comes into play. In our view, this term has entered the economy from technology, and the curvature from it reflects the rational curvature of the tax

elements in the economy. It is important to regulate such elements and follow the principles of tax payment when it is bent in different ways. [4]

However, the mechanism of regulating the curve tax by deviating from the method and principles will depend on the socio-economic measures taken by the state. Because the state can introduce or abolish any type of tax element in order to ensure socio-economic development. Thus, the mechanism of indirect taxation is a set of rules and tools of tax relations, which are used to achieve the goals of tax policy [5]. The organization of the indirect tax reflects a set of all elements, methods and principles in turn, the object of tax, subject, base, tax rate, tax payment period, and so on. The mechanism of taxation of the curve The application of the elements of the curve tax to the systemic practice represents an effective curve of them. Therefore, the curve should be curved from the mechanism of taxation in such a way that the timely fall of the curve tax on budget revenues at different levels, which can simultaneously provide a synergistic curve by stimulating the production of innovative products and import-substituting products. It is important that the mechanism of the curve tax be improved in this direction. According to him, opportunities for sustainable economic development should also be created.

**Fig 1.**



**Figure 1. Schematic diagram of the structural connection of the elements of the mechanism regulating the taxation of the curve**

In overcoming the problematic situations that have arisen as a result of our research, we believe that the mechanism regulating the curve tax can be reasonably deviated from the tax base. The system of curved tax mechanism we propose (Figure 1) helps to regulate all aspects of the activity and efficiency of enterprises. The mechanism of regulation of the indirect tax is that enterprises are considered taxpayers only after passing one or another indicator of efficiency. Here, the indirect tax acts as a “penalty” against inefficient production of enterprises (reduction of production, increase in receivables and payables).

This method can not only complement other elements of the mechanism that regulate the activity and financial condition of enterprises, but also replace some of them, as mentioned above. In this

case, the proposed mechanism for regulating the taxation of the curve and its elements can be successfully implemented while maintaining a system of interdependence.

The impact of the elements of the mechanism of regulation of the curve taxation on the financial performance of the enterprise is relatively insignificant, if such elements are included in the composition of non-regulatory elements. Most importantly, regulatory and non-regulatory elements can vary in nature. For example, if the tax rate has this property of constant variability, the tax base is a constantly expanding element. In general, the mobility of the elements of the regulatory mechanism is carried out by decisions, decrees and laws. However, the non-regulatory tax elements were not included in the above-mentioned documents.

Their life cycle will not be large. However, changes can occur within such elements if there is a certain type of risk to be replaced. In particular, in the context of the coronavirus pandemic, the extension of tax deadlines has been temporarily introduced as an exception. The main reason for this is the lack of effective action of regulatory elements during this period. It should be noted that the study found that the cyclical movement of the elements of the mechanism regulating the taxation of the enterprise curve is limited, ie the tax rate cannot be reduced or increased arbitrarily, but the rules for determining the tax base can be changed at the discretion of the manufacturer. possible. From this, budget revenues can suffer greatly. [6]

The organization, distribution and definition of the object of the tax curve to some extent affect the reduction of production, rising inflation, unemployment, growth in exports of innovative products. The elimination of the negative phenomena affecting the curve, its distribution and the necessary limit of the tax object remains a topical issue.

Today, there is no other direction of reform other than the curve tax, which is very sharply criticized, causes problems, is the object of analysis on reform, and has conflicting ideas. Historically, many changes in tax rates from the transition to the present have coincided with the curve tax. On the other hand, the curve, the definition of flour and the calculation of the tax object according to it is one of the most important areas of financial relations, and economic success in our country depends in many ways on the curve. Therefore, in the current conditions of the new Uzbekistan, it is necessary to be careful about the views on sharpening or reducing the curve. In such cases, it is necessary not only to ignore it, but also to take into account the extent to which such views affect the economy of the enterprise and its finances.

Obtaining a curve not only helps to develop production activities, but also helps to achieve many of its social goals, while in parallel it increases budget revenues at different levels. Therefore, the company seeks to increase the curve it receives. The curve is also reflected in the return on invested capital as a financial category. Most importantly, the curve creates a financially interrelated relationship complicated by its nature, size, and distribution boundaries.

We believe that the extended reproduction of all enterprises as an important financial source of the curve should be based on the principles of more efficient curvature. While commercial enterprises have strategic and tactical goals in a market economy, most of them tend to take a curve and succeed.

In the current context of economic development, each manufacturing enterprise has the right to pursue a policy of curve distribution independently. This leads to the normative regulation of the organization and distribution of the curve (including the budget curve). Otherwise, the enterprise will not be able to operate successfully in a highly competitive environment. Accordingly, there are the following levels of normative regulation of the curve.

**TABLE 1. THE SHARE OF INDIRECT TAX IN BUDGET REVENUES IN THE REPUBLIC OF UZBEKISTAN IN 2016-2021**

№	Indicators	2016 Year	2017 Year	2018 Year	2019 Year	2020 Year	2021 Year (forecast)
1	Direct taxes, bln. sum	9852,8	11539,4	15656,2	31676,8	40584,6	32515,5
2	Curve tax, Billion soums	1215,1	1475,5	3502,2	16360,6	22058,7	26064,8
3	Contribution of Indirect taxes to direct taxes, %	12,3	12,8	22,4	51,6	54,4	80,2
4	Curve tax rate,%	7,5	7,5	14	12	15	15

At a time when the network of enterprises specializing in production and processing is expanding, the introduction of a tax rate of 15% for these enterprises will also serve as a basis for further support for entrepreneurs. As a result, many will continue to do business through the shadow economy, which will ultimately prevent those who have to answer to the law, and will ensure the development of young entrepreneurs and the global competitiveness of their products.

Also, under the chairmanship of the President of the Republic of Uzbekistan Sh. M.Mirziyoyev on January 8, 2020 on the implementation of the parameters of the State Budget and in the regions It is no coincidence that in this year's video conference dedicated to the priorities of business development, they said, "Our only way is to increase the number of entrepreneurs, to make people entrepreneurs!" [7].

Thus, the indirect tax represents a monetary relationship, in which the state is on one side and the taxpayers on the other side, i.e. enterprises, associations and organizations. The establishment of this relationship is in the hands of the state, because the indirect tax falls for it as a revenue to the budget, a cost for the taxpayers.

The relationship between the state and taxpayers is determined by the Oliy Majlis on the basis of law. The determination of such a relationship implies the consent of the payers of the indirect tax. Therefore, the appointment of all taxpayers by the Oliy Majlis testifies to the high level of democracy between the two parties, namely the agreement between the taxing state and the taxpayers. However, the level of agreement or consent of the parties can be regulated in this Oliy Majlis with the proposals of the relevant organizations and experts, taking into account various factors. [8]

The main advantage of corporate income as an object of the indirect tax is, first of all, that part of the tax revenue curve is not distributed to private capital owners, but part of it is distributed to employees as wages (labor). This means that the state should not take into account the distribution of income in terms of tax revenues and have no influence on it. On the basis of indirect taxation, the state should be more interested in replenishing the state budget. In other words, the state should be interested in the growth of capital and the increase in production capacity at the expense of the wage curve in the structure of the enterprise's income.

## 2. CONCLUSIONS AND SUGGESTIONS

The corporate curve as an economic category serves as an important source not only for economic growth of enterprises, but also for the provision of budget revenues with the indirect tax. It is therefore important to determine the extent to which it is taxed by defining and regulating the curve. The role and importance of the indirect tax in socio-economic development is also enormous.

**First of all**, the fact that the object of the indirect tax is regulated by the tax payment depends on the tax, which encourages enterprises to increase the volume of production compared to the previous year to develop a quality product (commodity). The acquired and the balance sheet of the enterprise reduces inefficient spending and expands investment in non-returnable sectors of the economy, allowing it to be launched quickly.

**Second**, the indirect tax encourages businesses to spend their money on housing and to take a curve on increasing their exports. This is because the tax exemption of such curves enhances the solvency, which strengthens the financial position of the enterprise.

**Third**, the application of indirect tax incentives creates favorable conditions for reducing development costs, developing more quality products and increasing budget revenues.

**Fourth**, the possibility of combining the indirect tax with future corporate income tax depends on the growth of economic indicators that can be achieved by them, because by creating such a tax relationship it will be possible to achieve a positive shift in quality in manufacturing and services.

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