

INTRODUCTION OF EXCISE TAX IN UZBEKISTAN AND ITS LEGAL BASIS

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Abstract

The article states that excise taxes are included in the price of excise goods and thus passed on to final consumers. At the same time, the amount of excise tax significantly determines the price level of taxed goods, and also affects consumer demand. Excise tax plays an important role in the formation of state revenues and regulation of consumption of certain goods and services. This article reviews the existing literature on excise tax administration, draws conclusions from international best practices. It defines the main directions of improvement of control mechanisms, the main focus is on policy reforms, technological integration and capacity building in tax authorities.

Keywords: administration, difficulties, inefficiency, compliance, revenue optimization, regulatory results, taxes and taxation, indirect taxes, excise tax, excise goods, practice of taxation of excise goods.

Enter

The issues of improving the taxation system and tax administration in our country, including the excise tax collection mechanism, are important today. Since 1992, when the excise tax was introduced for the first time in our republic after gaining independence, there have been constant debates about the purpose of its collection, its amount, import of goods, including from the CIS countries, as well as the procedure for calculating and collecting the tax. Therefore, researching the main areas of improvement of excise tax in our republic and developing a solution to controversial issues in this context is appropriate only from the perspective of research and analysis of theoretical factors of indirect taxation and tax administration, as well as world experience.

The emergence of a specific tax system at each stage of economic development is primarily related to the movement of taxes included in it. The most internally variable tax in the tax system, which conflicts with many factors of socio-economic



development, is the excise tax. Therefore, studying the nature of excise tax in relation to socio-economic development is one of the most urgent problems. Since the excise tax is an indirect tax, its economic essence is characterized by financial relations based on objective mandatory payments that arise between the state and legal entities. Therefore, excise tax should be considered as a specific fiscal economic category. Excise tax occupies an important place in the general tax policy of the state even in developed foreign countries. Excise tax is a type of indirect tax that is directly added to the price or definition of the company's products and services. The economic nature of the excise tax is manifested in the provision of budget revenue to satisfy the interests of the national economy, attracting more funds, while its social nature is expressed in the increase of the payment capabilities of the population, that is, the main consumers. This is reflected in the reduction of excise tax objects (excise goods), decrease in tax rates, and increase in the solvency of the population.

One of the functions of the excise tax is to restrict certain products, which are included in the list of products that have a negative effect on the health of the people, especially young people, according to the World Health Organization.

Excise tax is one of the oldest forms of indirect taxation, which is added to the price of a certain limited type and group of products, unlike value added tax.

The word "excise" comes from the French language and means "cut off". This tax began to form a group of direct and indirect taxes at the end of the 17th century and the beginning of the 18th century when administrative state apparatuses were formed in European countries. Excise duty was the main form of indirect taxes and it was collected directly from 5% to 25% of the goods brought out and brought in from the city gate. In Uzbekistan, this tax is one of the new taxes. It should be noted that there are opinions that the excise tax serves to prevent the consumption of socially harmful goods. Excise tax is imposed on goods with high profitability in Uzbekistan.

Excise tax is essentially an indirect tax included in the price of goods and paid by the final consumer. Its socio-economic essence is expressed and improved only depending on the level of distribution. Excise tax was introduced for the first time in 1992 in accordance with the Law of the Republic of Uzbekistan "On Taxes Collected from Enterprises, Associations and Organizations" adopted on February 15, 1991, which was later introduced by the laws of the Republic of Uzbekistan and taking into account the changes and additions related to the transition of the republic's



economy to market relations. was According to the Tax Code of the Republic of Uzbekistan, excise tax is a part of the net income charged to the budget in the form of an indirect tax, calculated on the basis of price and value added tax. Excise tax has certain similarities with value added tax, but it is distinguished by its degree of specificity, connection with specific goods.

Indirect taxes have a long history. During the reign of the Timurids, the treasury was considered the main taxes, including the land tax (khiroj), the soul tax (juzya), the obligation to supply only animals (ulaq), and some exceptional taxes (ovorizot). During the Timurid period, the "stamp" levy was widespread as a direct tax, and this levy was collected mainly from artisans and merchants. Over time, the scope of these goods subject to excise tax has expanded. In the initial stages of economic reform in Uzbekistan (1992-1994), the tax system was designed to solve the issues of budget formation with socio-economic directions. In 1993, an excise tax was introduced for cotton.

In October 1994, excise tax began to be applied to imported tobacco products, and from January 1995 to imported alcohol products. During the second stage of economic reforms (1995-1997), the tax system of Uzbekistan was improved to a certain extent. After the prohibition of a number of taxes, the composition of excise goods was expanded. As a result of the inclusion of gasoline, oil, and natural gas, in addition to imported alcohol and tobacco products, the share of excise tax in the state budget revenues in 1995 was 27 percent, and compared to 1994, an increase of 2 percent was observed. Since October 1, 1996, in connection with the introduction of compulsory marking of tobacco products and alcoholic beverages (except beer) produced in the Republic of Uzbekistan and imported into its territory with excise stamps and the prohibition of their sale without excise stamps, the Cabinet of Ministers of the Republic of Uzbekistan dated August 14, 1996 "Uzbekistan Decision No. 285 "On the introduction of excise stamps on tobacco products and alcoholic beverages in the territory of the Republic" was adopted.

For forgery of excise stamps, as well as for sale of counterfeit excise stamps, criminal liability measures are applied in accordance with the current law of the Republic of Uzbekistan. Despite the measures taken to prevent the illegal import and production of alcohol and tobacco products, it is possible to find cases of sale of unmarked or counterfeit excise stamps, imported low-quality products on the territory of the republic. The current level of protection of excise stamps did not



allow to completely eliminate cases of forgery and copying, as a result of which counterfeit goods are sold on the market.

On January 7, 1999, the Ministry of Justice of the Republic of Uzbekistan registered the instruction No. 589 "On the procedure for applying excise stamps to tobacco products and alcoholic beverages in the Republic of Uzbekistan" on the production, import, storage, transportation and sale of tobacco products and alcoholic beverages in the Republic of Uzbekistan. In order to establish state control, as well as to collect excise tax in full, to prevent these goods from being secretly produced or brought to the territory of the Republic of Uzbekistan, the State Tax Committee and the territorial bodies of the State Customs Committee must follow this instruction in their work and ensure its implementation.

Excise tax payers are legal entities and individuals who produce and import excise goods, regardless of the form of ownership and the established procedure for taxation. In addition, when a general partnership produces excisable goods, the partner of the general partnership contract, who is charged with the responsibility of managing the business of the general partnership, is considered to be the payer of the excise tax. According to Article 283 of the Tax Code, excise tax payers are: Producers of excise goods (excise goods) on the territory of the Republic of Uzbekistan;

those who sell natural gas to consumers;

those who sell gasoline, diesel fuel to final consumers, including through gas stations for cars, as well as gas through gas stations for cars. For the purposes of applying this section, final consumers are legal entities and individuals who receive gasoline, diesel fuel and gas for their needs;

a trusted person who is a participant of a general partnership and is entrusted with the task of managing the business of a general partnership in the activities related to the production of excisable goods carried out within the framework of the general partnership agreement;

Transporters of excise goods through the customs territory of the Republic of Uzbekistan. According to the legislation on customs, these persons are recognized as tax payers;

legal entities of the Republic of Uzbekistan providing telecommunication mobile communication services (excise-paid services);



Foreign legal entities operating in the Republic of Uzbekistan through a permanent establishment, producing excise goods or importing such goods.

If mixed tax rates consisting of fixed and ad valorem tax rates are established for excise goods, the tax base is determined based on the volume of excise goods expressed in kind and the value of realized excise goods. If interest (ad valor) tax rates are set for excise goods imported from abroad, the tax base is determined based on the customs value determined in accordance with the documents of the customs law. If fixed tax rates are established for imported excise goods, the tax base is determined based on the volume of imported excise goods in kind.

If mixed tax rates consisting of fixed and ad valorem tax rates are established for imported excise goods, the tax base is based on the amount of excise goods expressed in kind and (or) the customs value of excise goods determined in accordance with customs law documents. is determined by output. The volume of gasoline, diesel fuel and gas expressed in kind during the sale of gasoline, diesel fuel and gas to final consumers and (or) used for personal needs is the tax base. The list of goods and services subject to excise duty is approved by the decision of the President of the Republic of Uzbekistan.

Excise tax rates are determined as a percentage of the value of the goods or services (ad valor), as an absolute amount against the unit of measurement expressed in kind (fixed), as well as at a mixed rate consisting of ad valorem and fixed rates. Excise tax rates are determined in absolute amount (fixed) based on the taxable base of excise goods expressed in kind. Excise tax rates are determined in percentages (ad valor) on manufactured excisable goods, the excise tax of realized excise goods and value-added tax-excluded value is the taxable base. The value calculated on the basis of the price determined by the taxpayer at the time of handing over the goods at a level not less than its actual cost in the case of goods subject to excise duty, given for free or for exchange for other goods (works, services), as well as for goods sold at prices lower than the cost of goods is the taxable base.

Conclusions and suggestions

One of the main problems in excise tax administration is the complexity of procedures for both taxpayers and tax authorities. Simplifying processes and requirements leads to increased compliance and reduced administrative burden. Strengthening monitoring and enforcement mechanisms will help curb tax evasion



and illicit trade in excise goods. The use of advanced technology and data analysis can improve tax administration and increase revenue collection. Implementation of the monitoring of the movement of vehicles equipped with GPS devices through a special information system by the licensing body in the sale of ethyl alcohol and integration of this system into the information base of the Tax Committee.

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