WAYS TO IMPROVE THE USE OF "SUSTAINABILITY RATING" CRITERIA IN UZBEKISTAN

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Abstract

One of the most effective tools in the development of the market mechanism is the system of tax incentives aimed at reducing the tax burden on economic entities, for which it is necessary to improve the taxation mechanism and minimize the negative internal and external factors affecting it.

Keywords: tax, tax control, tax inspections, tax monitoring, camera tax inspection, mobile tax inspection, tax audit.

Enter

Tax administration is a form of state management in the tax field and directly helps to increase the economic security of the state tax system. Tax administration is one of the main elements of the government service management mechanism. According to the decision of the President of the Republic of Uzbekistan dated January 23, 2024 "On measures to introduce the sustainability rating of business entities", a sustainability rating was introduced, which evaluates the activities of entrepreneurs and gives them special relief and advantages [1].

The Decree of the Cabinet of Ministers on January 30, 2024 approved the Regulation "On the procedure for determining the sustainability rating of business entities" [2]. The rating evaluation methodology is divided into three categories of criteria - general, reducing and encouraging.

Experience of Kazakhstan Register of trusted partners

The purpose of keeping the register:

- Developing business activities, including foreign economic cooperation, by providing local and foreign business entities with the necessary information for choosing partners from among local business entities;
- Produced local products, works

and help to increase the competitiveness of services;

- Increasing confidence in local business entities in the domestic market and abroad.

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- Business entities of all ownership forms and organizational-legal forms that provide complete and reliable information and meet the criteria set forth in this Regulation shall be included in the register.
- In addition, the criteria for including business entities in the Register are determined by the methodology for assessing the level of reliability of this Regulation.
- If the criteria specified in this Regulation are fulfilled, the business entity will be given a certificate on a paid basis in accordance with the list and cost of paid services provided to the members of the National Chamber of the Republic of Kazakhstan "Atameken" 21. The cost of the service is 20 times the base amount.

2. Russian experience (Non-state register of business entities with reliable economic and financial capabilities) This register was approved by the Order of the Chairman of the Russian Chamber of Commerce and Industry No. 51 on August 25, 2023.

Terms of registration:
- to be working for the last 3 years;
- providing reliable information about the organization;
- not to be in a state of reorganization, liquidation and bankruptcy;
- non-arrears of taxes, fees, and other payments;
- not to be in the register of dishonest suppliers and contractors;
- financial situation of the organization at the end of the year
Not to be in "SSS - Unsatisfactory" condition;
- having paid the one-time fee for registration.

Rating of Trusted partners in the experience of Belarus
2019 of the Belarusian Chamber of Commerce and Industry
Established by Resolution No. 91 of December 30.
Conditions for entering the register:
- submission of necessary documents, membership
and payment of entry fees;
- at least 3 years of business activity;
- to have a fully formed charter fund;
- not to be in a state of reorganization, liquidation or bankruptcy;
- not to be in arrears of taxes, fees and other payments due to the state;
- the term of consideration of the application for entry into the register is 30 days.
- entrepreneurs included in the register will be in this register for 2 years.

Grounds for unregistering:
- certificate has expired;

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- bankruptcy or liquidation of the business entity;
- providing incorrect and falsified information by the business entity;
- failure to comply with the requirements of the statute

The President of the Republic of Uzbekistan "Encourage reliable business entity "On measures to further improve the institute and support their activities"

General criteria

№	Criterion Points
1	Period of operation from the date of registration of the company (the period of idleness is not taken into account) 2 points for each year (5 years and more - 10 points)
2	EBITDA profitability (earnings before interest, taxes, depreciation and amortization), reported according to international standards, is 25-50% - plus 2; 50-70% – plus 5; More than 70% - plus 10
3	Existence of real estate objects or plots of land, plots of land used (including agricultural land under long-term lease), as well as real estate under ownership or tenancy under lease - plus 7; in the property - plus 10. if it is not available, as well as if the entrepreneur does not act at the indicated address - minus 5
4	The ratio of one employee's share in the wage fund to the industry average is at least 25% - plus 2; 25-50% – plus 4; 50-75% – plus 6; 75-99% – plus 8; 100% and more - plus 10, if the salary is less than the minimum wage, then - minus 5 points
5	Timely submission of tax reports Timely - plus 10; if provided late or not at all - plus 0
6	Timely payment of estimated taxes (every month) On time - plus 10; if paid late or not at all - 0
7	Payment of taxes calculated on the basis of a payment or collection order plus 10 (if by collection, then the rating is reduced by 5 points)
8	Issuance of an electronic invoice (EHF) for the delivery of goods, rendering of services, and performance of works within the specified periods (the ratio of the amount to the EHF turnover) is at least 25% - plus 1; 25-50% – plus 2; 50-75% – plus 5; 75-99% – plus 7; 100% is plus 10
9	Realization (export) of goods or raw materials (including imported ones) purchased under EHF in the same year; the ratio of purchase and sale of goods and raw materials is 50-70% - plus 5; More than 70% - plus 10; if 70% of purchased goods and raw materials are kept in balance, then minus 5
10	Elimination of deficiencies identified during the preliminary inspection analysis of tax authorities Voluntary elimination of errors - plus 7; no flaws - plus 10; uncorrected or no comment on defects - minus 5

Reducing criteria

№	Criterion	Points
1	Changing the place of business (mail address) of the company three or more times in the last 12 months	minus 5
2	In the last 12 months, three or more changes of the head of the company	minus 5
3	Conviction or bankruptcy of the head or founder of the company in the last 3 years	minus 5
4	Correction of a previously submitted tax return	Minus 1 point for correction (maximum 5)
5	Suspension or cancellation of the VAT payer certificate	minus 10
6	Collection of tax arrears at the expense of property (resolved after payment of fine)	minus 5
7	Administrative prosecution for tax-related	violations- minus 2; criminal - minus 5
8	Improper use of МХИК (at least 2 times a month)	minus 5
9	Debt collection proceedings (two or more times in 12 months)	minus 10

Incentive criteria

№	Criterion	Points
1	The share of needy persons among employees (in the single register of social protection, in the registers of "iron", "women", "youth"), as well as persons with disabilities	10-20% - plus 5; More than 20% - plus 10
2	Annual increase in the number of employees receiving higher wages from МНТЕКМ (for new companies, the growth rate is calculated from the second month compared to the previous month)	1−10% - plus 2; 10-20% – plus 4; 20-30% – plus 6; 30-40% – plus 8; 40-50% – plus 10; More than 50% - plus 15
3	If the amount of VAT paid is 1.1 times higher than the industry average, or if the export income is at least 50% of the total income (for VAT payers - at least 10 times the BHM per month)	plus 10
4	If the amount of tax paid from the turnover is 1.1 times higher than the average indicator for the sector, or if the export income is at least 50% of the total income (for VAT payers - in the amount of at least 10 times of BHM per month, for turnover tax payers in the amount of at least 1 times BHM per month)	plus 10

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The rating is formed automatically (online) on the electronic platform of the Tax Committee. The maximum number of points that an entrepreneur can collect is 100. The evaluation is based on information about how the business entity complies with the legal requirements. This information is transferred to the platform through interdepartmental data exchange.

A lot depends on the professionalism of the accountant. Timely and voluntary fulfillment of tax obligations helps to get a high rating.

In the tables given above, it is possible to see how many points are awarded for each case of the 3 criteria, in which cases additional points are added and in which cases points are reduced. By correctly using these criteria, business entities will be able to take advantage of many tax benefits and exemptions.

If you pay attention to the criteria, there are almost no cases that are too complicated for entrepreneurs. All of them consist of their daily tasks. In this way, business entities will perform their tasks and get double benefits by using the criteria effectively and correctly.

In short, the Sustainability Rating supports and encourages business entities that operate correctly and honestly.

List of References:

1. O‘zbekiston Respublikasi Prezidentining 2024 yil 23 yanvardagi “Tadbirkorlik sub’ektlarining barqarorlik reytingini joriy etish chora-tadbirlari to‘g‘risida”gi PQ-39-son qarori.

2. O‘zbekiston Respublikasi Vazirlar Mahkamasining 2024 yil 30 yanvardagi “Tadbirkorlik sub’ektlarining barqarorlik reytingini aniqlash tartibi to‘g‘risidagi nizomni tasdiqlash haqida”gi qarori.