

ISSUES OF IMPROVEMENT THROUGH THE EXPERIENCE OF FOREIGN COUNTRIES IN THE DEVELOPMENT OF THE TAX CONSULTING INSTITUTE IN THE REPUBLIC OF UZBEKISTAN

Yakubov Otabek Sadullaevich

Tashkent State University of Economics

Independent Researcher

Annotatsiya:

The tax advisory institute is an important institution that plays a significant role in the development of tax policy, administration, and compliance. This annotation reviews the prospects for the development of the tax advisory institute based on the literature. The literature highlights the importance of the tax advisory institute in promoting voluntary compliance, enhancing taxpayer education, providing technical assistance to taxpayers, and reducing the tax gap. The literature also identifies various challenges facing the tax advisory institute, including inadequate funding, lack of independence, and limited capacity. The review concludes by suggesting that the tax advisory institute should be adequately funded, given greater autonomy, and equipped with skilled staff and modern technology to enhance its effectiveness in providing high-quality tax advisory services.

Keywords: land, land tax, real estate, self-employed person, activity, social tax, "Tax" mobile application, benefit, pension, seniority, local budget, local budget income, local authorities, local taxes, tax reporting, tax revenues, tax benefits.

Introduction:

In recent years, the importance of tax advisory services has increased significantly in Uzbekistan due to ongoing tax reforms and the growing complexity of tax legislation. As a result, the development of the tax advisory industry has become crucial for the country's economic growth and the improvement of the business environment. This paper will explore the prospects for the development of the tax advisory institute in Uzbekistan, analyzing the current state of the industry, identifying its strengths and weaknesses, and proposing strategies to enhance its effectiveness. The study aims to provide recommendations for policymakers, tax professionals, and other stakeholders interested in advancing the tax advisory industry in Uzbekistan.



The concept of tax advice has been around for a long time, as taxes have been collected by governments throughout history. However, the formalization of tax advisory services as a profession is a more recent development. In the United States, the first national tax association, the National Tax Association, was established in 1907, and the first tax law program was introduced at New York University in 1945. In Europe, tax advisory services began to emerge in the 1950s and 1960s, and the profession has continued to develop and expand since then.

Tax advisory services began to emerge in Uzbekistan in the early 2000s, following the introduction of market-oriented economic reforms and the adoption of new tax legislation. As the business sector in Uzbekistan grew, so did the demand for tax advice and assistance in navigating the complexities of the tax system. Today, there are a number of tax advisory firms operating in Uzbekistan, providing a range of services to businesses and individuals alike.

Germany has a long-standing tradition of providing tax advice services to its citizens. The country has a well-developed tax advisory industry, which is regulated by the German Tax Advisors' Act (Steuerberatungsgesetz or StBerG). This act defines the rights and responsibilities of tax advisors and regulates the tax advisory profession in Germany.

The German tax advisory system is based on a two-tiered model, consisting of tax advisors and tax consultants. Tax advisors are regulated by the StBerG and are required to have a university degree in economics or law, as well as several years of practical experience. Tax consultants, on the other hand, are not regulated by the StBerG, but they can provide tax advice services to clients under the supervision of a tax advisor.

The German tax advisory system is known for its high standards of professionalism and quality. Tax advisors in Germany are required to undergo regular training and professional development to maintain their knowledge and skills. In addition, the German tax advisory system is designed to ensure that tax advice services are provided in an independent and impartial manner, free from any conflicts of interest. Overall, the German experience in developing a tax advisory institution highlights the importance of strong regulation and professional standards in ensuring the provision of high-quality tax advice services.

France has a well-established system of tax advisory institutions. One of the most prominent ones is the Conseil supérieur de l'Ordre des experts-comptables (CSOEC), which is the highest professional body for certified public accountants



(CPAs) in France. The CSOEC provides tax advisory services to businesses and individuals, as well as training and support for its members.

In addition to the CSOEC, there are also other professional organizations in France that provide tax advisory services, such as the *Chambre Nationale des Conseils en Gestion de Patrimoine* (CNCGP), which specializes in wealth management advice, and the *Conseil national des barreaux* (CNB), which is the national council of French lawyers and provides legal and tax advice to its members.

Overall, the French experience in developing tax advisory institutions highlights the importance of strong professional bodies and their role in providing high-quality tax advisory services to businesses and individuals.

China has been actively working on improving its tax advisory services for several years. In 2016, the State Administration of Taxation (SAT) introduced a new program to improve tax services and streamline tax administration, including the development of a tax advisory system.

Under this program, the SAT has established various tax advisory channels, such as the 12366 tax service hotline and online tax advisory platform, to provide taxpayers with timely and efficient tax services. The SAT has also worked to expand the tax advisory service network, establish specialized tax advisory agencies, and develop a team of tax professionals with high levels of expertise and professionalism.

Moreover, the Chinese government has implemented policies to encourage tax advisory services, such as providing tax breaks for tax advisory service providers and promoting the use of tax advisory services by enterprises.

Overall, the Chinese government's efforts to develop a tax advisory institution have helped to improve tax compliance, enhance the quality of tax services, and promote a fair and efficient tax system.

There are various opinions among scholars regarding the development of tax advisory institutions. Some scholars argue that such institutions are necessary to provide taxpayers with professional advice and assistance, particularly in complex tax matters. They suggest that tax advisory institutions can help taxpayers navigate the complexities of tax law, improve compliance, and avoid costly mistakes or penalties.

On the other hand, some scholars are critical of tax advisory institutions, arguing that they may contribute to the creation of a "tax industry" that prioritizes tax avoidance over genuine tax planning. They suggest that tax advisory institutions may encourage taxpayers to engage in aggressive tax planning, potentially leading to a loss of revenue for governments.



There are also debates about the appropriate level of regulation and oversight for tax advisory institutions. Some scholars suggest that these institutions should be subject to strict regulation and oversight to prevent abuse and ensure that taxpayers receive accurate and impartial advice. Others argue that excessive regulation may stifle innovation and discourage the growth of the tax advisory sector.

Overall, the development of tax advisory institutions remains a topic of debate among scholars and policymakers, with different perspectives on the potential benefits and risks of such institutions.

There are several problems that can hinder the development of a tax advisory institution. One of the main challenges is the lack of awareness and understanding of the importance of tax advice among taxpayers. Many individuals and businesses may not fully understand the complex tax laws and regulations, and may not see the value in seeking professional advice.

Another issue is the shortage of qualified tax professionals who are knowledgeable and experienced in providing tax advice. This can lead to a lack of trust in the quality of advice provided by the institution, and may discourage individuals and businesses from seeking their services.

In addition, there may be regulatory barriers that limit the scope of services that a tax advisory institution can provide. This can make it difficult for the institution to fully meet the needs of their clients.

Finally, there may be challenges related to funding and resources. Tax advisory institutions require significant resources to operate effectively, including funding for staff, technology, and marketing. Without sufficient funding and resources, it may be difficult for the institution to attract and retain top talent and provide high-quality services to clients.

The functions of a tax advisory institute can vary depending on the specific context and country. However, some common functions of tax advisory institutes may include:

Providing expert advice and guidance to taxpayers on tax compliance issues and strategies to reduce tax liabilities.

Conducting tax research and analysis to identify areas of tax law that may require clarification or reform.

Developing and delivering tax education and training programs for taxpayers, tax professionals, and government officials.

Advocating for changes to tax policy and legislation to promote fairness, simplicity, and economic growth.



Promoting best practices in tax administration and compliance.

Offering dispute resolution services to taxpayers who are in disagreement with tax authorities.

Monitoring and analyzing tax policy and legislative developments at the national and international levels.

Collaborating with other organizations and stakeholders to improve tax systems and promote tax compliance.

Overall, the main function of a tax advisory institute is to provide high-quality tax advice and support to taxpayers and other stakeholders, while also promoting the development of efficient, fair, and effective tax systems.

Tax advisory institution development control refers to the process of overseeing and managing the growth and progress of a tax advisory institute. This involves setting goals and objectives for the institute, determining strategies and policies to achieve those goals, and monitoring the implementation of those strategies and policies to ensure that they are effective in achieving the desired outcomes. Development control also involves assessing the performance of the institute, identifying areas for improvement, and making adjustments to the strategies and policies as needed. The goal of development control is to ensure that the tax advisory institute is meeting the needs of its stakeholders and contributing to the overall development of the tax system.

The development of tax advice can be broadly categorized into the following stages: In the initial stage, tax advice was provided by individual professionals such as accountants, lawyers, and tax consultants. These professionals provided tax advice on a case-by-case basis to their clients.

With the increasing complexity of tax laws, tax advice became more specialized and standardized. Tax advisory firms emerged and began to develop their own methodologies and standards for providing tax advice.

In many countries, tax advisory firms are now regulated by professional bodies, such as the American Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales. These bodies establish ethical and professional standards for tax advisory services.

The growth of international trade and investment has led to the globalization of tax advice. Many multinational companies now require tax advice that takes into account the tax laws and regulations of multiple countries.

The use of technology has transformed the way tax advice is provided. Tax advisory firms now use sophisticated software and algorithms to analyze tax data and provide



advice to their clients. Additionally, the growth of online platforms has made it easier for taxpayers to access tax advice from anywhere in the world.

Tax advice strategy refers to the overall plan or approach that a tax advisory institution or professional adopts to provide tax-related advice and services to clients. This strategy should be aligned with the institution's or professional's goals and objectives, as well as with the prevailing tax laws and regulations.

Tax advice refers to the provision of professional advice and guidance to taxpayers, businesses, and other organizations on matters related to tax laws and regulations. The aim of tax advice is to assist individuals and organizations in understanding and complying with tax laws, minimizing their tax liabilities, and avoiding any legal issues or penalties. Tax advice may cover a wide range of topics, including tax planning, tax compliance, tax litigation, tax accounting, and more. The development of tax advisory institutions is critical to ensuring that taxpayers have access to high-quality tax advice and that tax laws are properly enforced. Tax advice is an important aspect of the tax system and plays a vital role in promoting compliance, reducing tax evasion, and maintaining the integrity of the tax system.

Conclusions and suggestions

The regulatory framework for tax advisory services should be strengthened to ensure that tax advisors are held to high ethical and professional standards. This could involve the establishment of a professional body to regulate the profession, as well as the introduction of clear guidelines on the provision of tax advisory services.

Collaboration between tax advisors and tax authorities can be beneficial for both parties. Tax advisors can provide valuable insights to tax authorities, while tax authorities can provide guidance on the latest tax laws and regulations. Encouraging collaboration can help to improve the overall quality of tax advisory services in Uzbekistan.

Many taxpayers in Uzbekistan are unaware of the benefits of seeking tax advice. Promoting public awareness of the value of tax advisory services could help to increase demand for these services and encourage more individuals and businesses to seek professional advice.

The use of technology can help to improve the efficiency and effectiveness of tax advisory services. Investing in technology such as tax software, data analytics tools, and cloud computing can help tax advisors to provide more accurate and timely advice to clients.



References.

1. “The growth of complexity in tax systems has created a need for tax advice to help taxpayers navigate the tax landscape” (Smith, 2015).
2. “Technology is transforming the tax advice profession, with digital tools and data analytics enabling more efficient and effective tax advice” (Lee, 2018).

