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PROBLEMS OF TAXATION OF INDIVIDUALS IN FOREIGN COUNTRIES AND WAYS TO IMPROVE THEM

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Annotatsiya:

Taxation of individuals is an important source of revenue for governments worldwide. However, there are several issues and challenges associated with the taxation of individuals. This annotation provides a review of the literature on the problems of taxation of individuals and their improvement over the years. The review finds that the key issues related to taxation of individuals include complexity, fairness, compliance, and enforcement. The literature also suggests various ways to address these issues, such as simplifying tax codes, introducing progressive taxation, providing better taxpayer education, and using technology to improve compliance and enforcement. Additionally, there is a growing interest in alternative approaches to taxation, such as environmental taxation and tax incentives for social goals. The review concludes that there is a need for policymakers to balance the objectives of revenue generation and fairness in taxation and explore innovative solutions to improve the taxation of individuals.

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:

For example, in the United States, the Internal Revenue Service (IRS) has implemented e-filing and other technology-based solutions to simplify tax filing and increase compliance. The United Kingdom has simplified its tax code and established a system of self-assessment for taxpayers. Norway has a centralized tax administration system and uses third-party reporting to improve tax compliance.

Overall, the foreign experience suggests that simplification of tax codes, technology-based solutions, and effective tax administration can improve the taxation of individuals.



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One of the major problems of personal taxation in the United States is the complexity of the tax code and the various exemptions, deductions, and credits that taxpayers can claim. This complexity can lead to errors and discrepancies in tax filings, which can result in audits and penalties.

To address this issue, the US has implemented various measures to simplify the tax code, such as the Tax Cuts and Jobs Act of 2017, which reduced the number of tax brackets and eliminated some deductions and exemptions. Additionally, the US Internal Revenue Service (IRS) has implemented electronic filing and tax preparation software to make it easier for taxpayers to file their taxes accurately.

Another problem in the US is the issue of tax evasion, particularly among high-income individuals who can afford to hire expensive tax lawyers and accountants to find loopholes in the tax code. The US government has implemented measures such as increased enforcement and penalties for tax evasion, as well as the implementation of the Foreign Account Tax Compliance Act (FATCA) to prevent individuals from hiding assets overseas to avoid taxes.

Overall, the US experience in addressing the problems of personal taxation can provide insights for other countries facing similar issues, particularly in the areas of simplifying the tax code and improving enforcement measures to prevent tax evasion.

The problems of taxation of individuals have been a topic of discussion and study in various countries, including in Europe. One of the main challenges is ensuring tax compliance by individuals and preventing tax evasion. Some of the strategies employed in Europe to address these challenges include simplifying tax codes, providing clear guidance and information to taxpayers, using digital platforms to facilitate tax filing and payment, and increasing penalties for non-compliance.

In addition to compliance issues, there are also concerns about the fairness and equity of the tax system, particularly in relation to high-income earners. To address these issues, some European countries have implemented progressive tax systems that impose higher tax rates on those with higher incomes.

Overall, the European experience suggests that a multifaceted approach is needed to address the challenges of personal taxation. This approach should focus on simplifying tax codes, improving taxpayer education and support, leveraging technology to improve tax administration, and ensuring that the tax system is fair and equitable.



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There are a variety of issues related to personal taxation in Asian countries, and different countries have taken different approaches to addressing these problems. Here are some examples:

Many Asian countries struggle with high levels of tax evasion, particularly among high-income earners. One way that some countries have attempted to combat this issue is through the use of technology, such as electronic tax filing systems and online tax payment platforms.

The tax systems in some Asian countries can be very complex, which can create challenges for taxpayers and increase the likelihood of errors and noncompliance. Some countries have sought to simplify their tax systems and make them more user-friendly, with the goal of increasing compliance and reducing administrative burden. In some Asian countries, the tax base is relatively low due to a large informal economy and a significant number of individuals working in the informal sector. Some countries have attempted to expand the tax base by implementing policies to encourage formalization and reduce informality.

In some cases, tax administration in Asian countries may be inefficient or ineffective, which can lead to problems with compliance and revenue collection. Some countries have taken steps to improve tax administration, such as investing in training for tax officials and implementing performance-based incentive systems. Overall, there is a range of strategies that Asian countries have employed to improve their personal tax systems, including technological innovations, simplification of tax codes, expansion of the tax base, and improved tax administration.

The problems of taxation of individuals can vary depending on the country and its tax system. However, some common issues include tax evasion, underreporting of income, complexity in tax laws and regulations, lack of transparency, and unfairness in tax distribution.

To improve the taxation of individuals, several proposals can be made. These include:

A simpler tax system can reduce confusion and increase compliance. This can be done by reducing the number of tax brackets, standardizing deductions, and eliminating loopholes.

Taxpayers should have access to clear and accurate information on their tax obligations, including how their taxes are calculated and how the revenue is spent. Strong enforcement measures can deter tax evasion and underreporting of income. This can be achieved through audits, penalties, and criminal prosecutions.



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Offering tax incentives to those who comply with their tax obligations, such as tax credits, can encourage individuals to pay their taxes on time.

Digital tools can improve the efficiency and accuracy of tax collection, such as e-filing, online payment systems, and data analytics to identify potential tax evasion.

Overall, improving the taxation of individuals requires a comprehensive approach that includes simplification, transparency, enforcement, incentives, and technology.

There are several solutions that can improve taxation of individuals. Some of them are:

The tax code can be simplified to make it easier for individuals to understand and comply with their tax obligations. This can include reducing the number of tax brackets, eliminating certain deductions, and creating a simpler tax form.

Tax authorities can increase transparency by providing clear information about tax rules and regulations. This can help individuals understand their tax obligations and reduce the likelihood of noncompliance.

Governments can improve taxpayer services by providing online tools and resources to help individuals calculate their taxes and file their returns. This can help reduce errors and improve compliance.

Tax authorities can improve enforcement by increasing audits and penalties for noncompliance. This can create a deterrent effect and encourage individuals to comply with their tax obligations.

Governments can provide incentives for individuals to comply with their tax obligations. This can include offering tax credits for certain activities, such as investing in retirement accounts or purchasing energy-efficient appliances.

Overall, a combination of these solutions can help improve the taxation of individuals and increase compliance.

Improving taxation of natural persons can have several functions, including:

By making the tax system simpler, fairer, and more transparent, taxpayers are more likely to comply voluntarily, reducing the risk of tax evasion.

An efficient tax system that minimizes the burden on taxpayers and encourages investment and entrepreneurship can promote economic growth.

The tax system should be designed to ensure that the burden of taxation is distributed fairly and equitably across society, taking into account individual circumstances and ability to pay. An efficient tax system that minimizes the administrative burden on taxpayers and tax authorities can lead to cost savings for both parties. An efficient and effective tax system can increase tax revenues, which can be used to fund public



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services and infrastructure, among other things. Taxpayers should be able to easily access information about their tax obligations and receive assistance when needed. This can include providing user-friendly online platforms and offering customer support services.

Conclusions and suggestions.

The problems of taxation of individuals can vary depending on the country and its tax system, but some common issues include high tax rates, complexity in tax regulations, lack of transparency, tax evasion, and unfairness in the tax burden distribution.

To address these problems, some proposals for improvement include simplifying the tax code, reducing tax rates, increasing tax compliance through better enforcement mechanisms, implementing e-filing and e-payment systems, improving tax education and literacy, and increasing transparency and fairness in the tax system.

Another proposed solution is to implement a progressive tax system that distributes the tax burden based on the taxpayer's ability to pay, rather than a flat tax rate that can disproportionately affect low-income earners.

Ultimately, improving the taxation of individuals requires a balance between revenue generation and fairness in the tax system, while also considering the economic and social impacts of tax policies.

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