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SCIENTIFIC AND THEORETICAL FOUNDATIONS OF TAX POLICY AND STRATEGY

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Abstract:

In this article, the scientific and theoretical content of tax policy and strategy and the economic conditions of its emergence are to ensure the effectiveness of the fiscal system. Tax policy plays an extremely important role in the economic policy of any country. Tax policy, along with its strong indissoluble dependence on other areas of the state's economic policy, continues to influence them. The correct development of tax policy and the definition of its strategic and tactical directions is an extremely relevant and complex process.

Keywords: tax, tax relations, tax policy, strategy of tax policy, tactics of tax policy, tax benefits, directions of tax policy, state budget, tax administration, tax burden.

Introduction:

At the current stage of socio-economic development in Uzbekistan, special attention is paid to the formation and implementation of tax policies that define strategic goals of new content. Significant tasks are considered to be the implementation of significant reforms in the direction of stimulating the activities of taxpayers, reducing the tax burden, further developing the tax system based on the principles of fair taxation. At the same time, in ensuring the effectiveness of such a tax policy, there are also scientific and practical problems that are still waiting for their solution. Today, in any economic system, the main task of the state is to ensure balance and equality in the production and non-production sectors of society. Skillful management of this balance is undoubtedly a decisive factor in the catalysis and management of economic growth. It is within this complex process that financial and tax relations are formed as a means of managing socio-economic development. Includes the role of the state in the redistribution of national income within the framework of production. It provides for the distribution of income between producers and the state through centralized monetary mechanisms. The main



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purpose of this redistribution is to finance important functions of the state and provide society with vital social services.

This movement aims to achieve balance between different areas. In this case, taxes occupy a central place as the main means of mediation. The regulation, adaptation and precise delimitation of these processes bring new imperatives in the formation of plans that span different periods. It is engaged in the regulation of social and economic planning processes in the effective implementation of the above functions by the state. This task comes from the role of an economic “barometer” in which the state responds to social dynamics. A comparative analysis of real conditions and realities is carried out in society through the implementation of social and socio-economic planning. In particular, the assessment serves as a criterion for assessing the effectiveness of state actions, the determination of trends in its functions and responsibilities, and, ultimately, for assessing the level of equilibrium in its main goals of course. To achieve these goals, the state forms the basis of its policies in different areas, strategically coordinating its efforts in different areas. The multi-faceted policy landscape of the state is largely structured along two axes: domestic and international.

It should be noted that the creation of centralized monetary resources, as well as the subsequent internal policy of the state, has a huge impact. This centralization demonstrates a complex interaction with the tax policy, which is the main component of the general economy of the state. In its essence, the activities of the state in any area are goal-oriented, which entails combining a number of measures and actions for the implementation of predetermined tasks. The combination of such measures and actions constitutes public policy.

The first is in the form of a tax policy based on fiscal expansion (“expansio” is a Latin word meaning expansion, spread), with an emphasis on increasing gross demand and public spending and reducing taxes, in which the incentive role of taxes is increased and higher fluctuations in economic growth cycles in the economy are obtained. But, as a result of the implementation of such a tax policy, the deficit of the state budget and the level of inflation will increase. The other would be fiscal austerity (“restrinctio” being a Latin word – meaning “limit”) tax policy, whereby lowering the rate of production by cutting government spending and increasing taxes would be aimed at reducing oral inflation. However, such a tax policy creates unemployment and leads to its increase. The formation of these strategies and tactics



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depends, first of all, on the nature of the activity or process being carried out, as well as on the characteristics of management mechanisms based on the organizational basis of the state. In cases where a specific structure is adopted, it corresponds to the tax policy associated with its implementation and collection of income.

The term strategy is “a Greek word meaning” στρατηγία — command, control, military art”, which was originally applied to the military sphere, and later began to be used in public administration and its policies . Its application in politics, on the other hand, is often treated with periodicity. In this respect, the strategy when taken is to identify the processes that belong to the long-term period of systematic management of the activities of the state in a certain area(direction)and to determine its directions. This situation will also be present in tax-related policies.

The effective development and implementation of rational tax policies by the state necessitates the elevation of tax culture among taxpayers, especially in conditions where different interests may not always coincide. Even though tax incentives and benefits are common within tax policies, their success depends on taxpayers ' rational use of these benefits; otherwise they may compromise budget interests. In a market economy, taxpayers often struggle with maintaining personal interests, tax debts, and even tax evasion - all of which are detrimental to budget interests.

Hence, harmonizing taxpayer concern with the budget provides for the virtual elimination of tax debt, increasing the culture of tax compliance among taxpayers, and optimizing the effectiveness of subsidies from the budget. This change is manifested by nature as a long-term attempt. Consequently, tax policy strategies must develop in line with these dynamic changes. As mentioned above, the tax policy strategy includes fixed key elements and flexible aspects that depend on the goals of the economic policy of the state.

Tax tactics make up a significant composition in terms of the structure and direction of tax policy. "Tactics as a category is also derived from Greek, just like strategy, “τακτικός-structure of the army, τάξις-structure and location.”¹ it began to be used as a term belonging to the military sphere, giving the meaning, and later in the expression of the structure and direction of any policy of the state. "And the tactics of tax policy are the sum of methods and means used in a interdependent way in the process of carrying out the tasks set by the goal in tax policy and its strategy. Simply

¹ Грант Р. М. Современный стратегический анализ. 7-е издание. — Санкт-Петербург: Питер, 2016. — 544 с.



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put, the goal set in the tax policy strategy is the ways to achieve it easily and conveniently. It can be seen that the tactics of tax policy”² the fact that it is formed using methods will depend on the activities of the Competent Authority implementing the tax policy of the state, the application of the most convenient and effective forms of them in each tax policy. The practical effectiveness or vice versa inefficiency of tax policy tactics is evident through their real-life implementation. It should be noted that tactical methods or tools can be theoretically correct in terms of structure and content, but any wrong steps or mistakes in their implementation can disrupt even the best thought-out approaches.

It emphasizes the dichotomy between theoretical structures and pragmatic manifestations in tax policy tactics. In addition, it is necessary to recognize that tax policy tactics require adaptation to the specifics of a nation or region. What is effective in one place may not produce similar results in other places. Therefore, careful calibration of tax policy tactics in accordance with the existing economic conditions and the temporary context of their application becomes a necessity. In a separate national economy, tactical approaches used in the early stages of reform may fail over a certain period of time, or vice versa, methods that have been applied at certain intervals and subsequently abolished may regain their significance or become effective again in the later stages. development.

The use of progressive taxation as one such method (tactical approach) is an example. Progressive taxation is proven in world practice (remember the importance of Keynes's theory of taxation in recovering from the crisis in the US economy) that depression (recession) in the economy pays off when it is observed. Also, progressive taxation tactics will pay off again in order to reduce the negative impact on the economy through the growth of the economy, in which savings increase and slow down their transformation into investments. From this point of view, the effectiveness of tax policy tactics depends on the frequency of their application and the existing economic environment.

From this point of view, when we talk about universal and national values, we mean aspects such as the preservation of cultural traditions between the elderly, people with congenital disabilities, historical monuments, peoples, the welfare of minors,

² Солиқ сиёсати тактикасини изоҳлашда ушбу терминни доим кўплик маъносида ишлатиш мақсадга мувофиқ, сиёсатда битта тактика бўлиши унинг мазмунини йўқотади.



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the provision of humanitarian ideas. help et al. On the contrary, there is a demand in the domestic market to synchronize the production and consumption of products and services. In addition, the changing dynamics of GDP and its consumption, such as an increase in Salmi of products that harm the health of the population (for example, alcohol and tobacco products), changes in the volume of products produced and changes in forms of consumption, require tax adjustments. policy tactics. We present our scientifically determined understanding of Tax Policy and its strategy, obtained as a result of theoretical analysis and observations carried out in this section of our research work.

Conclusions and suggestions:

A number of scientific conclusions can be drawn as we conclude our feedback on the analytical review of scientific research on Tax Policy and its strategy:

first, the study of what the tax policy of the state includes and its main essence has been the subject of scientific research since the emergence of taxation. This request gained significant momentum in the Middle Ages;

secondly, in a certain scientific view of tax policy, it is interpreted as the basis of financial policy as well as strategy. One of its main directions is formed according to the contours of financial policy.

thirdly, tax policy is assessed by most states as a clear means of regulation.

List of literature used:

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