

DEVELOPMENT TREND OF TAX CONSULTING INSTITUTE IN UZBEKISTAN

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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.



In the conditions of the market economy, a practical mechanism for providing advice and legal support to business entities in the field of tax legislation in their free activities, that is, a tax advisory system, is very necessary. At the same time, improving the accounting, analysis and control of enterprises and organizations with the budget for taxes remains one of the most important issues today.

Implementation of deep structural changes in our country, reliable protection of the interests of small business and private entrepreneurship, most importantly, ensuring the priority role of private property in terms of legal, regulatory and practical aspects, as provided for in our Constitution, in the economy of Uzbekistan it was emphasized by the head of our country that it is aimed at gradually reducing the participation of the state.

Tax advice can prevent misunderstandings in tax relations arising in the activities of small business entities, which occupy the main place in the formation of the gross domestic product of our country as a result of the development of organizations and improvement of their activities. It will also be possible to protect their legal interests. This, in turn, serves to increase the standard of living of the country as a result of small business and private business entities carrying out their work using tax advice. In our country, the issues of taxation of small business and private business entities are somewhat more complicated. In order to fulfill his obligations, the taxpayer should pay special attention not only to the Tax Code, but also to the application of certain norms in calculating the single tax payment and the single social payment or to the requirements of the norms for determining the wage fund. I mean This, in turn, requires special knowledge and skills from the taxpayer. Therefore, it is appropriate for the taxpayer to leave the taxation issues to the discretion of the tax advisors, instead of thinking about the development of his business and the development of the production or service sector.

Tax advisory service is also of great importance in attracting investments. Because the assistance provided by the tax consultant ensures that investors comply with the tax legislation, optimize the taxes and fees paid, and protect their property rights and interests through additional measures.

The more the nature of taxes is clear and understandable to taxpayers, in particular, the taxes they pay are for social protection, education, health care, defense, peaceful and prosperous life of the population and the like. if they understand more deeply



that it is spent to solve a number of social tasks of the state, the efficiency of voluntary payment of taxes will increase. In carrying out work in this direction, the role of the tax consulting sector is incomparable.

It will be possible to study the structure of problems arising in the activities of tax payers in the field of taxation, which reforms should be implemented in which sector of the state. In order to organize relations in the field of tax consulting, to ensure the development of the activities of tax consultants, the Council on Tax Consulting was established under the Ministry of Finance of the Republic of Uzbekistan.

In the course of the research, there is a need for indicators of the service sector in order to develop certain proposals for the development of the tax consulting sector in our republic or to carry out reforms. Therefore, in order to develop the field of tax consulting, the state should fully support the activities of this field.

Currently, it is determined that tax consulting activities will be provided only by the organization of tax consultants. This limits the ability of a tax consultant to carry out his activities independently, even if he has a qualification certificate. We can see from foreign experience that individual tax advice is of higher quality than services provided through an organization.

Taxpayers who feel the need for this field are not able to use these services due to the limited possibility of individual tax consultation.

In order to prevent violations of the tax legislation, to avoid all kinds of negative tax consequences, and to avoid excessive enthusiasm in the field, the tax consulting institute successfully works in developed countries.

In addition to receiving clarifications from tax authorities, there is a practice of consulting with consulting and auditing firms on the application of tax laws. They provide these services for a certain fee under contractual conditions. In practice, a tax advisory contract is concluded mainly when problematic or conflicting situations arise. They often turn to the services of consultants in the development of industry guidelines or regulations on taxation.

The experience of developed countries shows that, in the conditions of the market economy, along with auditing, consulting, microcrediting, evaluation services, advocacy and other subjects of the financial services market, tax consulting is also successfully operating.



Widespread provision of various services to the population and business entities in the conditions of the market economy is one of the priorities.

Today, our state is taking consistent measures to develop the service sector. The composition of the services market is improving due to the development of new promising types of services - banking and finance, insurance, information and communication services, etc.

Banking and financial services are an important element of the financial infrastructure and serve to increase the efficiency of payments and savings.

In order to ensure full confidence of taxpayers in tax advice, third parties are prohibited from interfering in the activities of tax adviser organizations and demanding from them any information obtained during the provision of professional services. Also, documents related to their clients may not be seized or inspected from persons providing tax advice.

In addition, unlike other consulting services, the tax consultant and his assistant can be questioned as witnesses about the circumstances known to them about the client in connection with the performance of their professional duties, the court, may not be engaged by law enforcement and control bodies as experts and specialists, as well as in carrying out inspections.

Of course, determining the status, powers and responsibilities of tax advisors at this level and protecting their activities by law will increase the trust of taxpayers in them, will serve to ensure the rule of law in the tax field in our society and, as a result, the economic development of our country. Entitlement of the tax consultant to work as a representative of the participants in the relations regulated by the tax legislation in the state tax service bodies, as well as during the pre-trial settlement of the tax dispute and in the court in accordance with the procedure established by the legislation, legal protection of the business entity in tax disputes created the ground for it to be done. It also frees taxpayers from tax-related disputes and expands opportunities for developing their business without being distracted by various administrations.

At the same time, it should be noted that in the process of working as a tax consultant, it becomes clear that there are a number of urgent issues that are waiting to be solved in the implementation of the norms of the Law. In particular, there are different,



inconsistent answers to the question of whether a tax consultant can defend a client in court.

It follows from this that according to the Law, the tax consultant has the right to participate as a representative of the taxpayer during the pre-trial settlement of tax disputes in the state tax service bodies and other law enforcement bodies and defend his rights in courts (economic, civil and criminal courts). . In order to ensure that this norm is strictly observed in practice, it is important to harmonize government decisions with this Law based on Article 25 of the Law, and to revise and amend other normative legal documents of state administration bodies that contradict this Law.

In our country, the Ministry of Finance has approved legal documents - National Standards of Tax Consulting (SMMS) as elements of the regulatory regulation of the activities of tax consultants. In these by-laws, the opportunities for the practical implementation of the broad powers granted to tax advisers by the Law are limited. In particular, such a limitation is visible in the name of SMMS No. 3, which is called "Procedure for providing tax consulting services during tax audits by the state tax service authorities."

According to Article 85 of the Tax Code, a tax audit is a tax audit, which is carried out by the state tax service authorities, and in the cases provided by the law, by the prosecutor's office. That is, according to the Tax Code, the verification of the implementation of tax legislation organized by the prosecutor's office is a tax audit. In the tax audit organized by the prosecutor's office, the audit is also carried out by the state tax service authorities or employees of the SVOJDLQK department.

However, SMMS No. 3 stipulates that a tax consultant can provide services only in tax audits conducted by state tax authorities. At this point, an unanswered question arises as to whether a tax consultant can legally protect a taxpayer in a tax audit organized by the prosecutor's office based on the Tax Code.

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).

