

---

# Improving Tax Control

---

*Zoxidov Shaxzod Shavkat o'g'li*

*Independent Seeker, Tashkent State University of Economics*

---

**Abstract:** This article explores the reform of tax control, further improvement and improvement of the efficiency of the state bodies of the tax service, the formation of a "digital economy", which is a logical continuation and development of the use of modern information and communication technologies, as well as the acceleration of the implementation of generally accepted international norms and standards in the field of tax control into national legislation.

**Keywords:** Tax control, taxpayers, tax service employee, taxes, other mandatory payments, direct taxes, indirect taxes, resource payments, state budget, state tax service bodies, investment climate, principles of tax control, tax administration, tax monitoring, desk tax audit, on-site tax audit, tax audit.

---

## Introduction

In order to reform tax control, further improve and increase the efficiency of the activities of state bodies of the tax service, the formation of a "digital economy", which is a logical continuation and development of the use of modern information and communication technologies, as well as accelerate the implementation of generally accepted international norms and standards in the field of tax control into national legislation.

President of the Republic of Uzbekistan Shavkat Mirziyoyev noted in his message to the Oliy Majlis of the Republic of Uzbekistan:

"According to the recently adopted Tax Code, many innovations have been introduced since this year. In particular, the number of types of taxes has been reduced from 13 to 9. Simplified tax payment mechanisms with the possibility of deferral or installments have been introduced.

Every employee of the tax service, entrepreneurs, taxpayers should understand and apply the norms of the new Tax Code well, for this it is necessary to establish their regular training.

In order to radically change the attitude of tax service employees to their business and to train qualified personnel, I propose to create a Fiscal Institute at the State Tax Committee and attract reputable foreign experts for this." [1]

The growth of the state's financial needs requires the smooth functioning of the tax collection mechanism. In practice, the tax authorities reveal the facts of late payment of taxes and other mandatory payments by taxpayers, which is currently a problem for such parties to financial relations as the state and taxpayers. For this reason, the problem of efficiency and improvement of control over the correctness, timeliness and completeness of tax collection becomes acute.

## Analysis of thematic literature

It is necessary to distinguish between the concepts of "tax control" and "tax administration". If tax control is part of the tax mechanism, then tax administration is part of taxation

management.

Tax administration is one of the functions of state tax management (taxation management).

The purpose of tax administration is to achieve the maximum possible effect for the budget system from tax revenues at the lowest possible cost.

Tax control is a set of measures carried out by tax and other authorized bodies aimed at identifying violations of the current legislation on taxes and fees, as well as preventing them," as stated by M.M.Shadurskaya, E.A.Smorodina, T.V.Bakunova in his textbook on the essence and forms of tax control [2].

Chernik D.G. in his textbook on taxes and taxation believes that tax control is the control over the correctness of the payment of taxes and fees by legal entities and individuals. Tax control is understood as verification of compliance by taxpayers with the legislation on taxes and fees; identification of tax violations; ensuring the receipt of tax payments to the budget at all levels. The formation of tax policy is a set of measures that ensure timely and full payment of taxes and fees, in the amounts necessary to finance government activities.[3]

The methodology, forms and tools of tax control are reflected in the works of E.S. Vylkova, L.I. Goncharenko, A.Z. Dadashev, T.A. Efremova, V.A. Krasnitsky, Yu.M. Krokhnina, I.I. Kucherov, O.A. Mironova, M.V. Mishustin, N.N. Nesterova, O.A. Nogina, K.V. Novoselova, S.G. Pepelyaeva, A.V. Terzidi, F.F. Hanafeeva, D.M. Shchekina. Problems of the organization of tax control taking into account.

### **Research methodology**

The methodological basis of the research is a systematic and analytical approach that allows us to present scientific studies of socio-economic phenomena and processes in their development, legislative and regulatory acts of the Republic of Uzbekistan on the development of tax control in the conditions of qualitative transformations in the system of state bodies of the tax service. In the course of writing this article, methods of systematic, logical, comparative and economic-mathematical analysis were used. Methods of exposure include: improvement of tax control and simplification of tax procedures and other measures of influence.

Research methodology it is very important that it is chosen correctly, because research methodology always occupies a key place. Referring to our task to show the effectiveness of tax control and tax collection and the preparedness of the regulatory framework of Uzbekistan, we came to the conclusion that we will use methods of empirical and theoretical level, namely methods of study and generalization, analysis and synthesis, observation.

### **Analysis and results**

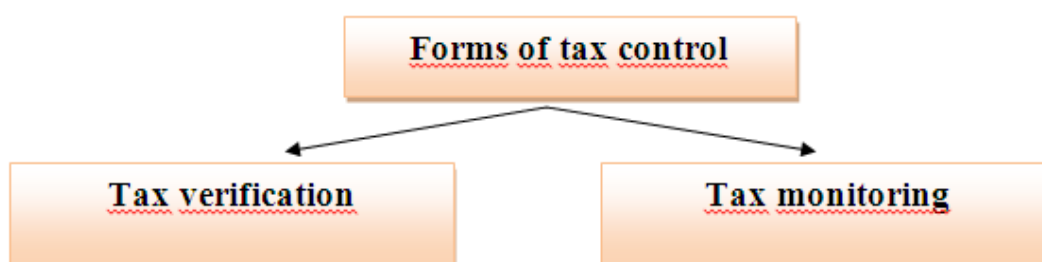
An effective taxation system and well-coordinated work of the state tax service bodies are of particular importance in the context of the implementation of large-scale reforms for the long-term development of the country's economy.

The effectiveness of tax control and the collection of taxes are predetermined by the macroeconomic conditions in which, on the one hand, taxpayers carry out economic activities, on the other hand, the tax authorities exercise the main powers of tax control.

Tax control is a complex and purposeful system of economic and legal actions of competent state authorities, which is based on legislation in the field of taxation.

The main direction of tax control is the collection and analysis of information on the fulfillment of taxpayers' obligations to pay taxes. It is also an important condition for the functioning of the tax system.

Tax control is the activity of authorized bodies to monitor compliance with the tax.



**Figure 1. Forms of tax control**

Source: author's development based on the results of the study.

The tax audit is carried out on the basis of the study and analysis of the taxpayer's data available in the tax authorities.

A desk tax audit is conducted by the tax authority on the basis of an analysis of the tax statements submitted by the taxpayer (tax agent), financial statements, as well as other documents and information about his activities available to the tax authority.

An on-site tax audit is an audit of the fulfillment of certain duties of taxpayers in the field of calculation and payment of taxes and fees, as well as other duties provided for by tax legislation.

A tax audit is a verification of the correctness of the calculation and payment of taxes and fees for a certain period.

The subject of tax monitoring is compliance with tax legislation, correctness of calculation, completeness and timeliness of payment (transfer) of taxes and fees by the legal entity in respect of which tax monitoring is carried out.

Tax monitoring covers all taxes and fees for which a legal entity is a taxpayer.

Tax monitoring is voluntary for the taxpayer.

Tax monitoring is carried out by the tax authority on the basis of a decision to conduct tax monitoring.

Tax monitoring begins on January 1 of the year for which tax monitoring is carried out and ends on July 1 of the year following the period for which tax monitoring was carried out.

The main task of the state bodies of the tax service is to improve tax control and the entire system of state bodies of the tax service as a whole, which, in turn, should lead to the elimination of existing problems existing in this area.

In order to reduce the level of the shadow economy in the country, create equal competitive conditions for doing business, including by reducing the regulatory and administrative burden, automating procedures and simplifying the procedure for compliance with tax control requirements.[5]

The organization of the work of the state tax service bodies, based on outdated methods and principles of tax control, does not allow them to solve the new tasks assigned to them, including expanding the tax base and increasing tax collection, which is aggravated by the presence of significant unresolved problems.

1. Low level of tax administration mainly related to the implementation of forecast indicators and limited to tax reporting without searching for additional sources of taxation.
2. Irrational use of information and communication technologies, which does not allow to fully implement tax administration, determine up to

### **Conclusion and suggestions**

Control, being a management function, occupies an important place in the process of economic activity. At the macroeconomic level, the role of tax control is obvious in the composition of tax administration and the implementation of tax policy.

Improving tax control in the system of state bodies of the tax service should solve the following tasks:

1. Improving the methods of combating smuggling and corruption, illegal currency transactions and evasion of tax and other mandatory payments, the state tax service bodies should apply modern methods of tax control.
2. Improving the forms and mechanisms of tax control, including through the widespread introduction of modern information and communication technologies that provide the most complete coverage and accounting of taxable entities and taxpayers.
3. Professional development of employees of the state tax service and taxpayers.
4. Conduct free consultations on

### **Literature:**

1. Message of the President of the Republic of Uzbekistan Shavkat Mirziyoyev to the Oliy Majlis "2020 is the year of development of science, education and digital economy" Newspaper "Narodnoe Slovo" dated January 25, 2020, No. 19 (7490).
2. Taxes and taxation: Textbook / M.M.Shadurskaya, E.A. Smorodina, T.V.Bakunova et al. 2nd ed., reprint. And add. Yekaterinburg: 2019. — 216 p.
3. Chernik D.G. Taxes and taxation. Moscow: Unity, 2010. 367 p.
4. Advocatova A.S. Tax control in the conditions of modification of relations between tax authorities and taxpayers. Abstract Moscow, 2019.
5. Decree of the President of the Republic of Uzbekistan dated June 29, 2018, No. UP-5468. "On the concept of improving the tax policy of the Republic of Uzbekistan".