

## WAYS TO RECOVER AMOUNTS OWED ON UNPAID TAXES AND FEES IN UZBEKISTAN

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Annotation: In this article tax debts of legal entities and individual entrepreneurs were analyzed. Opinions of foreign and domestic scholars about tax debts were studied. In addition, suggestions and recommendations are given about reducing and improving the effective collection of tax arrears

*Key words: legal entities, individual entrepreneurs, tax system, taxes and fees, tax debt.*

It is known that the main part of the state budget revenues of the Republic of Uzbekistan is formed by the collection of taxes and fees. Timely and full payment of taxes will serve to timely finance the expenditure part of all measures taken at the state level, including the budget and trust funds.

The tax system, taxes - are one of the most effective tools in the regulation of the economy by the state. Accordingly, since the first years of independence, our country has undergone many reforms in the field of taxation, as in all areas of the economic infrastructure. The work on this issue is aimed not only at collecting taxes and fees, but also to replenish the state budget by reducing tax arrears.

Further improvement of the economic potential of business entities, creating a mechanism that is acceptable to them in the future and allows the budget to increase revenues from taxes and levies, ensuring investment attractiveness and financial stability of enterprises, Find substantiated proposals to reduce tax arrears due to receivables and payables, which directly affect the increase in revenues from taxes and fees and the development of practical advice and concrete solutions for the development of their activities is one of the current problems.

In this regard, it is important to ensure a timely and complete collection of taxes and fees. Ensuring the timely payment of taxes is done by preventing the occurrence of tax debt as much as possible and its effective collection after its occurrence.

In addition, I.G. Vinokhodova (2019) also notes in her research work that increasing the process of seizing property from business entities with existing tax arrears would be effective.<sup>1</sup>

One of our local scientists, Sh. Toshmatov (2008) commented on the causes of tax arrears and their elimination, saying, "The high tax burden has a number of negative consequences for businesses. Such consequences include the increase in tax arrears, the expansion of the shadow economy, the increase in accounts payable. The tax system should minimize the possibility of legal and illegal tax evasion."<sup>2</sup>

Also, according to I. Niyazmetov (2008), the tax arrears are mainly due to the fact that the burden of VAT and property taxes is borne by industrial enterprises, which leads to an uneven distribution of the tax burden and a relatively heavy tax burden on industrial enterprises. This will prevent companies from ending the tax debt problem.<sup>3</sup>

At the same time, A. Giyasov (2019) in his scientific article tries to explain the ways to avoid tax evasion by introducing a procedure for determining the collection of tax arrears on all other accounts of the business entity in case of full or partial non-fulfillment of the collection order imposed on the main account by the tax authorities within a month. To this end, the development of relevant tax regulations, as well as the introduction of amendments and additions to existing ones, will lead to significant results in improving tax legal literacy of taxpayers, strengthening the payment culture, and eliminating tax arrears by improving the efficiency.

In our opinion, it is important to sharply reduce the collection of tax arrears from businesses in today's pandemic situation, to provide them with tax benefits and privileges, to protect taxpayers and individual entrepreneurs from the crisis, and to avoid unnecessary tax collection costs.

Today, such growth rates are positive outcomes of the work being performed by the state that promises to create new jobs and decrease the unemployment rate accordingly.

However, we cannot say that all the established enterprises are working effectively. There are also business entities that are unable to fulfill their obligations to the budget. From the data in Figure 2, we can see that the number

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<sup>1</sup> I.G. Vinokhodova (2019). Improving the practice of collecting debts of organizations for taxes and fees. Scientific article, p-22.

<sup>2</sup> Sh. Toshmatov (2008). Problems of strengthening the role of taxes in increasing the economic activity of enterprises. Doctoral dissertation.

<sup>3</sup> I. Niyazmetov (2008). Analysis of the impact of the tax burden on the financial activities of business entities and budget revenues. Candidate work.

of business entities with tax arrears is declining from year to year. In 2015, the number of business entities with tax arrears amounted to 13.3% of the total number of entities, while by 2019 the number of business entities with tax arrears decreased to 11.7%.

From what we see above, we can conclude that the reduction of tax rates from year to year has a positive effect on reducing the number of taxpayers with tax arrears.

However, in practice, there are cases when a taxpayer legal entity, for subjective or objective reasons, is unable to pay the amount of taxes and fees payable in a timely manner.

From what we've discussed above, we can draw a conclusion that the reduction of the tax rate in recent years has created a wide range of opportunities for business entities to conduct their activities with ease. Nevertheless, there are examples of businesses not being able to pay the taxes on time. One of the reasons for this issue is the complexity of the process for collecting tax debts in full and in a timely manner.

In our opinion, the following recommendations would be useful to increase the effectiveness of collecting tax arrears in full without any delays:

- introduction of the procedure for electronic sending of tax debt cancellation notices sent to individuals;
- In order to obtain the possibility of deferment or installment payment of taxes, the payment of this tax debt must be secured by property pledge, surety or bank guarantee;
- In order to further develop the tax culture, tax subjects should be introduced in general education, secondary special and higher education institutions.;
- In some cases, it is necessary to make it possible to make corrections to wrongly issued requests for cancellation of tax debt by the tax authority.

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