LEGAL FOUNDATIONS FOR THE ORGANIZATION OF TAX AUTHORITIES IN UZBEKISTAN: HISTORICAL AND MODERN APPROACHES (ON THE EXAMPLE OF THE PERIOD 1991–2000)

Komolov Dilshod Pulatovich
Professor of the Department of History and Social Sciences,
University of Economics and Pedagogy,
Doctor of Historical Sciences (DSc)
https://doi.org/10.5281/zenodo.20423159

Abstract: This article presents a historical and legal analysis of the formation and stages of development of the legal foundations for the organization of tax authorities in the Republic of Uzbekistan. The study reveals the main directions of the formation of the tax system during the years of independence, its institutional and regulatory framework, as well as its role in the implementation of state financial policy. In particular, based on the provisions of the Constitution, Presidential decrees, the Law "On the State Tax Service," and the Tax Code, the legal mechanisms governing the activities of tax authorities are examined. Furthermore, the article scientifically generalizes the significance of centralizing the tax system, improving its efficiency, and ensuring economic reforms.

Keywords: Constitution, law, Tax Code, tax system, tax authorities, tax policy, tax administration, economic reforms, state budget, fiscal policy.

In 1991, following the collapse of the former Soviet Union, the Republic of Uzbekistan gained state independence and entered a new stage of socio-economic development. These historical transformations led to the abandonment of the previously existing centralized planned economy and created the need for the formation of a new economic system based on market relations. In this process, particular importance was attached to strengthening the state financial system, ensuring the stability of budget revenues, and consistently implementing economic reforms, which, in turn, required the establishment of a modern tax system.

The development of the legal foundations for the organization of tax authorities in the Republic of Uzbekistan during the years of independence became one of the most important and priority directions of state-building policy. This was due to the fact that the gradual transition to a market economy, the strengthening of the state financial system, and the effective implementation of economic reforms directly depended on the existence of a well-designed, scientifically grounded, and consistently improved tax system.

At the initial stage of independence in the Republic of Uzbekistan, the legal framework regulating the activities of tax authorities was largely fragmented in nature. This, in turn, led to the absence of a unified approach to the functioning of the tax system, inconsistencies in legal norms, and various interpretations of these norms in practice. In this regard, the need arose to systematize the legal provisions governing the activities of tax authorities, bring them into a unified conceptual framework, and establish an effectively functioning legal mechanism.

The legal foundations for the organization of tax authorities were, above all, closely connected with the necessity of clearly defining their place within the system of state authorities. During the years of independence, in the process of forming the system of public administration, tax authorities came to be regarded as an independent institution, while their powers, functions, and interaction with other state bodies were consistently закреплены at the legal level. This contributed to the creation of a centralized and effective management system ensuring the implementation of tax policy.

The Constitution of the Republic of Uzbekistan, based on the general principles regulating state finances, the budgetary system, and tax relations, established the legal foundations for the introduction and collection of taxes. Article 123 of the Constitution of the Republic of Uzbekistan, adopted on December 8, 1992, stated: “A unified tax system shall operate on the territory of the Republic of Uzbekistan. The right to introduce taxes belongs exclusively to the Oliy Majlis of the Republic of Uzbekistan” [1, p. 34]. This constitutional provision became one of the key legal foundations for the formation of the tax system of independent Uzbekistan.

First, through this article, the functioning of a unified tax system throughout the entire territory of the country was constitutionally established. This made it possible to prevent contradictions in tax policy among different regions, ensure a unified financial and economic order, and preserve the integrity of the state financial system.

Second, it was constitutionally закреплено that the exclusive right to introduce taxes belongs to the Oliy Majlis. This ensured the supremacy of law in the implementation of tax policy, prevented the arbitrary introduction of taxes by executive authorities, and created legal conditions for the democratic regulation of tax relations.

This provision is also of great importance for the activities of tax authorities, as it ensures that all their powers and practical actions are exercised on the basis of legislation. At the same time, it serves to protect the rights of taxpayers and guarantees fairness and transparency in financial relations between the state and society.

The Decree of the President of the Republic of Uzbekistan No. PF–744 of January 18, 1994, "On the Transformation of the Main Directorate of the State Tax Service of the Republic of Uzbekistan into the State Tax Committee of the Republic of Uzbekistan," is one of the most important normative legal acts possessing significant historical and legal importance in the institutional development of the country's tax system [2].

The main essence of this decree was that the previously existing Main Directorate of the State Tax Service was reorganized, and on its basis an independent central state body — the State Tax Committee — was established. These reforms contributed to strengthening the position of tax authorities within the system of public administration, expanding their powers, and increasing the effectiveness of their activities.

Another important aspect of this decree was its focus on the centralization of the tax system and the simplification of administration, which ensured the stable formation of state budget revenues. Under conditions of transition to a market economy, strengthening the state financial system and providing financial support for economic reforms required precisely such institutional changes.

Furthermore, this decree served as a legal foundation for the development of subsequent normative legal acts regulating the activities of tax authorities. As a result, the tax system was gradually improved and transformed into a modern system of administration. The establishment of this institution ensured the consistent implementation of tax policy, the formation of budget revenues, and the exercise of tax control.

The Law of the Republic of Uzbekistan "On the State Tax Service," adopted on August 29, 1997, holds significant historical and legal importance in strengthening the legal foundations of the country's tax system, forming the institutional basis of tax authorities, and regulating their activities [3]. This law was adopted in response to the need to bring the tax system, which had been formed during the first years of independence, into a unified conceptual framework, as well as to organize the activities of tax authorities on the basis of clearly established legal norms.

Article 1 of this Law defines its primary purpose as establishing the legal foundations for the activities of state tax service bodies, while emphasizing that tax authorities are created to ensure the full and timely collection of taxes and other mandatory payments to the state budget. This provision legally закрепляет the fiscal function of tax authorities and defines their role in implementing the state's financial policy.

The Tax Code of the Republic of Uzbekistan, adopted on April 24, 1997, is the principal codified normative legal act regulating tax relations in the country [4]. This Code defines the institutional and legal foundations of the tax system, establishes clear mechanisms for the functioning of tax authorities, their powers, and their relations with taxpayers. In this regard, it has fundamental importance for the implementation of state financial policy.

Article 1 of the Tax Code identifies its main objectives as defining the legal foundations of the tax system, establishing the rights and obligations of taxpayers, regulating the procedures of tax administration, and determining liability for violations of tax legislation. This provision demonstrates the comprehensive and systematic nature of the Code. In other words, it not only establishes the types of taxes but also regulates the entire system of tax relations on the basis of a unified legal mechanism.

The principles of tax legislation occupy a special place in the Code. In particular, such principles as equality before the law in taxation, justice, universality, and transparency are закреплены. These principles ensure the development of the tax system in accordance with the requirements of a democratic state governed by the rule of law. Of particular importance is the provision stating that all unavoidable doubts and ambiguities in tax legislation shall be interpreted in favor of the taxpayer, which demonstrates the strengthening of legal guarantees in the tax sphere.

The Tax Code also clearly defines the structure of the tax system. According to the Code, national and local taxes operate within the territory of the Republic of Uzbekistan. Such a classification makes it possible to distribute tax revenues effectively between the central and local budgets. At the same time, the Code establishes that taxes may be introduced exclusively by authorized state bodies, thereby ensuring the centralized nature of tax policy.

In addition, issues of tax control and liability occupy an important place in the Code. The establishment of liability measures for violations of tax legislation contributes to strengthening tax discipline. As a result, the effectiveness of tax authorities increases, and the stable inflow of revenues into the state budget is ensured.

By the 2000s, the legal foundations governing the activities of tax authorities had been significantly improved, and the process of adapting them to international standards had begun. Legal mechanisms aimed at increasing the effectiveness of tax administration, reducing corruption factors, and ensuring transparency were introduced. Thus, the legal foundations for the organization of tax authorities in the Republic of Uzbekistan were formed gradually, systematically, and consistently. In this process, constitutional provisions, sectoral laws, codes, and subordinate legal acts developed in close interrelation and complementarity.

In conclusion, it should be noted that the process of forming the legal foundations for the organization of tax authorities in the Republic of Uzbekistan during the years of independence was carried out consistently as an integral part of state-building and economic reforms. This process was driven by the need to eliminate the legal gaps that existed at the initial stage, to establish the tax system on the basis of a unified conceptual framework, and to ensure the effective implementation of state financial policy.

The results of the study demonstrate that the legal foundations of the activities of tax authorities were first закреплены at the constitutional level and were subsequently developed consistently through special laws and codes. This, in turn, contributed to ensuring the supremacy of law in tax relations, regulating the activities of state bodies, and protecting the rights of taxpayers.

List of references and sources:

1. Constitution of the Republic of Uzbekistan. – Tashkent: “Uzbekiston”, 1992.
2. Decree of the President of the Republic of Uzbekistan “On the Establishment of the State Tax Committee.” – 1994 [Electronic resource].
– URL: https://lex.uz/docs/-195755
3. Law of the Republic of Uzbekistan No. 474-I of August 29, 1997 “On the State Tax Service” [Electronic resource]. – URL: https://lex.uz/docs/-40158
4. Law of the Republic of Uzbekistan No. 396-I of April 24, 1997 “On the Approval of the Tax Code of the Republic of Uzbekistan” [Electronic resource]. – URL: https://lex.uz/docs/-152637