



TAX MONITORING - AS A TYPE OF TAX CONTROL

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Abstract: In this article, an attempt was made to analyze the specific features of tax monitoring, which is considered a type of tax control, and the methods and means of their use in carrying out control measures. An opinion was expressed that conducting tax monitoring is not interference in the activities of business entities, but assistance, monitoring results are not punishment, but rather an opportunity to eliminate shortcomings in the tax field.

Key words: tax, tax monitoring, inspection, control

Existing market mechanisms turned out to be not ready to ensure the equilibrium state of markets at the global level. At the national level, this required strengthening the role of government regulation and adapting its mechanisms to the rules of international economic management in order to achieve sustainable development of national economies.

is caused by the transition of the Uzbek economy in the period of the 90s of the XX century - the beginning of the XXI century to market relations, accompanied by the transformation of tax deductions into the dominant source of filling budgets at all levels of the budget system of the Republic of Uzbekistan in terms of its importance and composition.

A large role in this issue is given to the creation and use of high technologies that provide all levels of government with new information capabilities in a variety of spheres of the economy, including financial and fiscal.

It is an axiom that the economic system of the state cannot function without the sustainable development of fiscal relations, which are the basis for stabilization not only at the state, but also at the regional levels. Therefore, fiscal relations, their level of development, mechanisms and legal environment are the most important factor in ensuring economic security and its most important area - replenishing the budget with tax revenues, which is directly defined about the strategy "Uzbekistan - 2030", approved by the Decree of the President of Uzbekistan dated September 11, 2023. 158.

The need to resolve theoretical and methodological issues of developing economic security in the field of fiscal relations in a strategic manner is associated not only with politically-defining strategic documents, but also with the insufficient development of tax administration mechanisms in terms of managing control and supervisory activities, corruption and tax risks that require timely assessment and implementation of a set of measures to reduce or prevent them.

Requires a more in-depth study of the forms and methods of tax administration; principles of organization and management of the effectiveness and efficiency of control and supervisory activities; problems of identifying and systematizing corruption risks in the activities of controlled entities of budgetary and tax relations; monitoring economic security factors under the influence of threats and tax risks and other issues related to the strategic vector of sustainable and safe development of fiscal relations.

The sphere of regulation of fiscal relations is completely dependent on the tasks of implementing the strategic directions of economic security of Uzbekistan, since the allocation of budget funds for the implementation of new large projects and strategic programs for the development of the economy and ensuring the economic security of all its spheres requires a balanced fiscal policy, the development of basic and searching for additional sources of financing budget revenues.

The objective of tax monitoring shall be to check the compliance with tax legislation, correct calculation and full and timely payment (remittance) of taxes and fees by a legal entity in respect of which tax monitoring is being carried out.

Tax monitoring shall covers all taxes and fees in relation to which responsibility for the payment thereof is placed in accordance on a legal entity as on a taxpayer or tax agent.

Tax monitoring for a taxpayer shall be voluntary.

Tax monitoring shall be conducted by a tax authority on the basis a decision to conduct tax monitoring.

A legal entity shall have the right to submit an application to a tax authority for tax monitoring if its income, according to the annual financial statements, received for the previous year amounted to not less than ten billion sums.

The period for which tax monitoring is conducted shall be the calendar year following the year in which the legal entity submitted an application for tax monitoring to the tax authority.

Tax monitoring shall commence from 1 January 1 of the year for which tax monitoring is conducted and shall end on July 1 of the year following the period for which tax monitoring was conducted.

Information exchange between a legal entity which participates in tax monitoring and a tax authority shall be carried out on the basis of the regulations.

Regulations on information exchange shall set out the procedure for the submission to a tax authority of documents (information) pertaining to the calculation (withholding) and payment (remittance) of taxes and fees in electronic form and (or) for access to information systems of a legal entity which contain the above-mentioned documents (information).

A legal entity shall have the right to independently choose the procedure for information exchange.

In the Regulations on information exchange, a legal entity shall set out:

- 1) the manner in which a legal entity records income and expenses, objects of taxation in accounting (tax);
- 2) provide details of analytical tax ledgers;
- 3) information on the system of internal control over the correct calculation (withholding) and full and timely payment (remittance) of taxes and fees.

Information on the system of internal control shall be provided where such a system is in place. The form of and requirements relating to regulations on information exchange shall be approved by the State Tax Committee of the Republic of Uzbekistan.

An application for tax monitoring to be conducted shall be submitted by a legal entity to the tax authority for that legal entity's location not later than 1 July of the year preceding the year for which tax monitoring is to be conducted.

The form of an application for tax control to be conducted shall be approved by the State Tax Committee of the Republic of Uzbekistan.

The following shall be submitted together with an application for tax monitoring to be conducted:

- 1) regulations on information exchange in the established form;
- 2) information on legal entities and physical persons who/which have a direct and (or) indirect participating interest in the legal entity which is submitting the application for tax monitoring to be conducted where that participating interest amounts to more than 25 per cent;
- 3) the legal entity's accounting policies for taxation purposes which is effective.

A legal entity which has submitted an application for tax monitoring to be conducted may, before the tax authority has adopted a decision to conduct tax monitoring or to refuse to conduct tax monitoring, withdraw it on the basis of a written application.

In the event that an application for tax monitoring to be conducted is withdrawn, that application shall not be considered to have been submitted.

After considering an application for tax control to be conducted and documents (information) submitted by an organization in accordance the director (deputy director) of a tax authority shall, by 1 November of the year in which the application for tax control to be conducted has been submitted, adopt one of the following decisions:

- 1) a decision to conduct tax monitoring;
- 2) a decision to refuse to conduct tax monitoring.

A decision to refuse to conduct tax monitoring must be substantiated.

The grounds for adopting a decision to refuse to conduct tax monitoring shall be:

- 1) failure to present all or some of the documents (information) required in accordance;
- 2) non-conformity of the regulations on information exchange to the prescribed form and requirements for regulations on information exchange.

A decision to conduct tax monitoring (a decision to refuse to conduct tax monitoring) shall be sent to the organization within five days from the day of its adoption.

Tax monitoring is carried out by authorized officials of the tax authority in accordance with their official duties at the location of the tax authority.

If, during tax monitoring, contradictions are revealed between the information contained in the submitted documents, or a discrepancy between the information provided by the legal entity and the information available to the tax authority, the tax authority informs the legal entity about this with a request to provide the necessary explanations or make appropriate corrections. Such explanations are submitted by the legal entity within five days, and corrections are made within ten days from the date of receipt of the request.

If, after consideration of the submitted explanations or in their absence, the tax authority establishes a fact indicating incorrect calculation (withholding), incomplete or late payment (transfer) of taxes or fees, the tax authority is obliged to draw up a reasoned opinion in accordance with the procedure provided.

When conducting tax monitoring, the tax authority has the right to demand from a legal entity the necessary documents (information), explanations related to the correctness of calculation (withholding), completeness and timeliness of payment (transfer) of taxes and fees.

The requested documents (information) and explanations may be submitted to the tax authority in person or through a representative, sent by registered mail, transmitted

electronically via telecommunication channels, through the taxpayer's personal account, or transmitted in accordance with the procedure provided for by the rules of information interaction.

The presentation of documents on paper is made in the form of copies certified by a legal entity. It is not allowed to require notarization of copies of documents submitted to the tax authority (official), unless otherwise provided by law.

The procedure for sending a request for the submission of documents and the procedure for submitting documents at the request of the tax authority in electronic form via telecommunication channels is approved by the Cabinet of Ministers of the Republic of Uzbekistan.

Documents (information) and explanations that were requested during tax monitoring in accordance with part four shall be submitted by a legal entity within five days from the date of receipt of the relevant request.

If the request cannot be fulfilled within the prescribed time, the legal entity, within the day following the day of receipt of the request, notifies in writing the officials of the tax authority conducting tax monitoring of the impossibility of its execution, indicating the reasons and deadlines during which it can submit the requested documents (information) and explanations. The head (deputy head) of the tax authority on the basis of the specified notification within two days from the date of its receipt has the right to extend the deadline for submission of documents (information) and explanations or to refuse to extend the deadline, on which a separate decision is made.

In the course of tax monitoring, the tax authority does not have the right to demand documents previously submitted to it in the form of copies certified by a legal entity. The study solved a set of problems for the strategic development of the theoretical and methodological basis for ensuring economic security in the sphere of regulating fiscal relations, which made it possible to achieve the set goal and test the results obtained.

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