



---

## **STAGES OF FORMATION OF TAX ADMINISTRATION OF LARGE TAXPAYERS IN THE TAX SYSTEM OF UZBEKISTAN**

Erkabaev Nuriddin Akhmadjonovich

Tashkent State University of Economics Independent Researcher

### **Abstract:**

This article analyzes the foreign experience of implementing the tax administration of large taxpayers, as a result of this analysis, issues of improving the tax legislation of the Republic of Uzbekistan, a proposal for further improvement of the tax administration of large taxpayers and recommendations are developed.

**Key words:** tax, budget policy, budget, tax administration, large taxpayers, foreign experience, tax potential, tax burden, tax rate, tax benefits.

### **Introduction:**

The experience of dividing taxpayers into categories according to their various characteristics, approaching these characteristics in terms of their socio-economic influence, and applying administration based on separate tax regimes in relation to them is improving significantly in countries around the world. If we look at the main essence of such approaches, on the one hand, it is aimed at simplifying the state's financial policy through the effective use of state financial instruments in the activities of taxpayers, and on the other hand, it is aimed at achieving the effectiveness of the policy aimed at the convenient and maximum formation of state budget revenues, which is the main fiscal issue of any state. This requires identifying enterprises that fall into the category of large taxpayers and developing optimal management of their activities through tax instruments.

One of the important priorities of tax policy in the conditions of the new Uzbekistan is the application of tax administration as separate tax regimes for relatively large enterprises, which are of great importance in our national economy, as well as in the formation of state budget revenues. Of course, there are a number of reasons for this. First, the activities of business entities, their production capacity and contribution to the country's treasury are not the same, which indicates their deep economic



## **International Conference on Modern Science and Scientific Studies**

Hosted online from Madrid, Spain

Website: [econfseries.com](http://econfseries.com)

20<sup>th</sup> March, 2025

differentiation. Although a unified approach to the principles of taxation applies to taxpayers, conducting tax policy (administration) in relation to the volume of taxpayers has been effective in world practice. Secondly, the production technology of enterprises with large capacity and the structural structure of their turnover of goods (services, work) are much more complex, taking them into account, it is useful to apply a separate tax regime to them. Thirdly, within any given national economy, economic policy is carried out by grouping enterprises according to their size, and their economic potential is assessed, and their fiscal potential is also determined. Assessing the fiscal potential of taxpayers requires analyzing them within separate groups and implementing appropriate tax policies. It follows that taxing taxpayers on a large scale requires separate tax administration in various directions.

Of course, tax policy, which begins with their inclusion in the category of large taxpayers, includes the approach of tax authorities to their accounting, registration of tax objects within them, granting tax benefits to them, and collecting tax debts, has a certain formation process. Indeed, although there have been few cases of tax administration based on specific approaches to taxation of taxpayers based on their inclusion in the category of large taxpayers, the evolutionary process of forming specific experiences in this regard continues. Considering it appropriate to conduct a theoretical analysis of this situation from a scientific and methodological point of view, we will consider the state of its formation.

The Resolution of the President of the Republic of Uzbekistan No. PQ-3802 dated June 26, 2018 "On measures to radically improve the activities of the State Tax Service" and the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 320 dated April 17, 2019 "On measures to further improve the activities of the State Tax Service" are of particular importance. It was on the basis of these resolutions that the new edition of the Regulation on the State Tax Committee of the Republic of Uzbekistan and the Regulation on the Interregional State Tax Inspectorate for Large Taxpayers were approved. These regulations set out as the main tasks of the State Tax Committee "creating favorable conditions for taxpayers to voluntarily fulfill their tax obligations, unconditionally fulfilling the target task of "Tax Service - a reliable partner of honest taxpayers" by each employee, carrying out work to improve the legal culture of taxpayers, implementing



## **International Conference on Modern Science and Scientific Studies**

**Hosted online from Madrid, Spain**

Website: [econfseries.com](http://econfseries.com)

20<sup>th</sup> March, 2025

comprehensive measures to prevent, detect and eliminate tax violations, and improving work with taxpayers through a complete transition to non-contact electronic services for taxpayers", and important directions of tax administration in a new form and content were determined by the tax service authorities.

An institutional structure within the State Tax Committee of the Republic of Uzbekistan - the Interregional State Tax Inspectorate for Large Taxpayers - was created, and its main task was to carry out tax administration of large taxpayers, regardless of their location and activities.

If we analyze the status of the implementation of the above tasks and functions within the framework of tax administration by the Interregional State Tax Inspectorate for Large Taxpayers and its territorial divisions in 2019-2021, we can see that the following results have been achieved.

One of the indicators characterizing the formation of the tax administration of large taxpayers in the tax system of Uzbekistan is the dynamic change in the number of enterprises included in the categories of large taxpayers by type of activity and sectors. Therefore, if we pay attention to the data in the table above, the number of enterprises in this category was 1416 in 2019, while at the beginning of 2022 this figure was 957, indicating a decrease in their number. The main reason for this was the slight change in the criteria for determining enterprises in this category, as well as a sharp reduction in the number of organizations falling into the category of commercial banks, commodity, stock and currency exchanges, and the instability in the financial and economic activities of some taxpayers, which led to their no longer meeting the criteria for enterprises in this category, as well as a reduction in the number of enterprises in Navoi KMK JSC, Almalyk KMK JSC and their constituent organizations, as well as other similar factors.

The analysis shows that in the process of further improving tax administration for large taxpayers, there is a need to create an additional institutional structure, such as the Value Added Tax Administration Department of the Interregional State Tax Inspectorate for Large Taxpayers. Based on the functional tasks of other structural units, in our opinion, it is appropriate to define the following as the main tasks of this unit:



## **International Conference on Modern Science and Scientific Studies**

Hosted online from Madrid, Spain

Website: econfseries.com

20<sup>th</sup> March, 2025

- ☐ Organizing systematic work on considering applications for the refund of the amount of value added tax to be reimbursed;
- ☐ Determining the risk of an economic entity that has submitted documents for the reimbursement of value added tax based on the list provided by the Risk Analysis and Transfer Pricing Department;
- ☐ Based on the results of the in-house tax audit on the reimbursement of the tax amount, the head or deputy head of the tax authority makes a decision on the reimbursement of the tax amount (in full or in part) or refusal to reimburse it;
- ☐ analyzes the reasons for violations of the requirements of tax legislation and, in the cases identified, enters information into the Risk Analysis and Transfer Pricing Department of the Inspectorate;
- ☐ records and maintains records of value-added tax payers;
- ☐ issues and cancels certificates of value-added tax payers;
- ☐ carries out the reimbursement of the value-added tax amount in accordance with the established procedure and carries out the refund of the remaining tax amount after the cancellation of debts on other taxes, etc.

By the Resolution of the President of the Republic of Uzbekistan “On further increasing the efficiency of expenditures of the State Budget of the Republic of Uzbekistan and improving the activities of state financial control bodies” dated February 14, 2022 No. PQ-128, the function of the Ministry of Finance to control the correct and timely calculation of excise tax was transferred to the State Tax Committee.

### **Conclusions and recommendations**

The audit of large taxpayers plays a crucial role in ensuring tax compliance, revenue collection, and a fair and transparent tax system. Given the importance of large taxpayers in contributing to overall tax revenue, it is necessary to continuously improve and strengthen audit processes to ensure effective enforcement and minimize tax evasion. This proposal sets out key measures to strengthen the audit of large taxpayers.

Implement a risk-based approach to focus audit efforts on high-risk areas and potential non-compliance. This involves the use of data analytics, advanced



## **International Conference on Modern Science and Scientific Studies**

Hosted online from Madrid, Spain

Website: [econfseries.com](http://econfseries.com)

20<sup>th</sup> March, 2025

---

technologies, and comprehensive risk assessment models to identify areas where tax evasion or non-compliance is likely to occur. Such an approach will allow tax authorities to allocate audit resources effectively and efficiently.

### **Reference:**

1. Davlat soliq qo'mitasi ma'lumotlari. [www.soliq.uz](http://www.soliq.uz).