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ANALYSIS OF THE NATURE, GROUPING AND IDENTIFICATION CRITERIA OF LARGE TAXPAYERS

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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.

Keywords: 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 based on their various characteristics and applying separate tax regimes to them, taking these characteristics into account in terms of their socio-economic status, is improving significantly in countries around the world.

According to orthodox theories, in order to determine the essence of the content, characteristics and position of business entities in the market, they are grouped according to certain criteria. Such groupings include small enterprises, micro-firms, sole proprietorships, medium-sized enterprises, large enterprises, transnational companies, natural monopoly enterprises, etc. The division or naming of enterprises into such groups is based on their scale. The scale criterion is different in different countries, and there are also different approaches to their management by the state. In world practice, tax obligations are imposed on those engaged in economic activity or having a source of income for the benefit of society. The imposition of tax obligations on such entities also creates specific directions for tax policy regarding them. The process of collecting taxes gives rise to many relationships. In addition to economic relationships, taxes cover social, psychological, legal, foreign economic



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and even political relationships. Economic relations related to taxes primarily cover the mutual relations between taxpayers and budgets included in the budget system related to the collection of taxes and other mandatory payments. In this process, two parties arise. One is the authorized state bodies that are directly involved in its collection in the interests of the budget and serve in this process, and the other is taxpayers. The main party in tax subjects is taxpayers. Because taxpayers are the object of tax imposition, and only when taxpayers exist does the tax object appear and the possibility of applying tax elements arises.

In grouping taxpayers, in addition to the division into legal entities and individuals, it also depends on the organizational and legal form of taxpayers. In terms of legal status, taxpayers are divided into legal entities, individuals, non-profit organizations, permanent establishments, individual entrepreneurs, residents and non-residents. For the purpose of taxation, legal entities are considered to be an organization that has separate property in its ownership, business conduct or operational management and is responsible for its obligations with this property, can acquire property or personal non-property rights in its own name and exercise them, can fulfill obligations, be a plaintiff and a defendant in court. Legal entities must also have an independent balance sheet or estimate. At the same time, legal entities also include foreign organizations established in accordance with the legislation of a foreign state and international organizations of the Republic of Uzbekistan, established in accordance with the legislation of a foreign state or an international treaty. Non-profit organizations are understood as legal entities that do not have profit as the main goal of their activities and do not distribute the income received among their participants (members), and include budgetary organizations, including state authorities and administrative bodies, non-governmental non-profit organizations, international non-governmental non-profit organizations registered in the Republic of Uzbekistan, as well as self-governing bodies of citizens and other organizations in accordance with the legislation.

According to tax legislation, legal entities are recognized as: legal entities established in accordance with the legislation of the Republic of Uzbekistan (legal entities of the Republic of Uzbekistan); foreign legal entities (including companies and other corporate structures) established in accordance with the legislation of



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foreign states and having civil legal capacity; international organizations. Any territorially separate subdivision of a legal entity equipped with permanent workplaces at its location is a separate subdivision of a legal entity of the Republic of Uzbekistan.

A permanent establishment of a non-resident in the Republic of Uzbekistan is any place where a non-resident carries out entrepreneurial activities on the territory of the Republic of Uzbekistan, including through an authorized person. A permanent establishment of a non-resident in the Republic of Uzbekistan is also recognized as the implementation of entrepreneurial activity in the territory of the Republic of Uzbekistan lasting more than one hundred and eighty-three calendar days within any consecutive twelve-month period. The concept of “permanent establishment” is used only to determine the status in the tax sphere and is not considered to have legal organizational and legal significance. That is, it also reflects the objects of taxation. For taxation purposes, the permanent place of business of a foreign legal entity in the Republic of Uzbekistan, in whole or in part, is recognized as the permanent establishment of a foreign legal entity in the Republic of Uzbekistan.

The next group of taxpayers is individuals. Individuals are citizens of the Republic of Uzbekistan, citizens of other states, as well as stateless persons. This group of taxpayers also includes individual entrepreneurs, who carry out entrepreneurial activities without forming a legal entity, independently, without the right to hire employees, on the basis of property owned by them on the basis of property rights, as well as on the basis of other property rights that allow them to own and (or) use property.

At the same time, when grouping taxpayers, in order to determine their occurrence, tax payment and tax potential for taxpayers, they are divided into real and potential taxpayers, taxpayers registered in terms of their tax payment status, taxpayers operating, taxpayers whose activities have ceased, and taxpayers whose tax obligations have ended (begun). Real taxpayers are understood as taxpayers who are actually operating and actually fulfilling their tax obligations, while potential taxpayers are taxpayers who are expected to emerge as taxpayers in the near future (taxpayers whose tax exemption period ends, individuals who enter the labor market upon reaching the age of eligibility, newly established taxpayers, etc.). Grouping



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taxpayers in this manner is of great importance in analyzing the efficiency of the tax system in the tax system.

The division of taxpayers into certain criteria serves to determine the directions of tax administration in relation to taxpayers. For example, since 1997, in order to increase the role of small business entities in the national economy, a special procedure for their taxation, namely a simplified taxation system, has been applied in our republic. According to it, such enterprises were given the opportunity to pay a single tax instead of several taxes in order to apply tax benefits and preferences, and the option of applying a simplified procedure or a generally established procedure. Such grouping of taxpayers, on the one hand, is to encourage taxpayers through a special approach to taxation, and on the other hand, the taxation system is regulated on the basis of applying a separate tax administration in relation to them.

Taxpayers can be classified according to their tax status into taxpayers included in a consolidated group, counterparty groups and large taxpayers. In addition, it is necessary to distinguish between a donor taxpayer group and large taxpayers. Donor taxpayers, by paying a large amount of tax payments to the relevant budget, within the framework of fulfilling their tax obligations, receive the status of a “donor” by sharply differentiating themselves from other taxpayers in terms of tax payments to the relevant budget. Such taxpayers often also fall into the category of large taxpayers. For example, such taxpayers include Navoi Mining and Metallurgical Combine JSC, Almalyk Mining and Metallurgical Combine JSC, Uztransgaz JSC, Uzbekneftgaz JSC, UzBAT JV, Lukoil, Uzavto Motors JSC, Uzbektelecom JSC, Hudugazta'minot JSC, etc.

There were enterprises in the national economy of Uzbekistan that had the status of large taxpayers. However, until 2017, the tax administration did not separate them as a separate status and did not form a tax administration for them. It should be noted that when it comes to taxation of enterprises that fall into the category of large taxpayers, one should not ignore the tax management and tax administration related to them.

In order for the tax system to function normally, it is necessary to organize this process, create mechanisms for its management, eliminate risks associated with attracting taxes to the budget and collecting them, determine the functional features



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of the state's activities in collecting the introduced taxes, develop and implement general and specific approaches to relations with taxpayers, coordinate the activities of authorized bodies involved in the development and implementation of tax policy and develop management principles in this process, assess the culture of taxpayers, their attitude to tax policy, implement the processes of tax revenue receipt to the state budget on a scientific basis (tax planning and forecasting), assess the risks of various levels arising at different stages and elements of the tax system and reduce their negative impact, and there are other important processes without which it is impossible to organize the effective functioning of the tax system. These processes, in turn, require the need for tax management, which is an important component of the tax system, and its implementation.

As a modern form of management processes in the tax sphere, tax management also has its own object, subject, stages and characteristics. Tax management is understood as a scientifically based activity and process of managing the state, movement, interrelationship of elements included in the tax system of the state, as well as the state's intervention in the activities of taxpayers for the purpose of taxation (regulation, stimulation, control) with a common goal. Tax management, first of all, covers the areas of self-management of elements included in the tax system and management of taxpayers' activities related to these elements. In this regard, two aspects of tax management can be seen. The state's tax management is the management of its own activities related to the introduction and collection of taxes (the activities of authorized bodies) and the management (coordination) of the activities of legal entities and individuals obliged to pay taxes to the state, which determines the scope of tax management. Tax management is therefore divided into macro and micro tax management in terms of scope. Macro-level tax management is part of the activities of the authorized bodies of the state. Since the state collects taxes and other mandatory payments from its centralized monetary funds, it is required to organize, optimally manage and coordinate a wide range of related activities.

In addition to the introduction of taxes through its tax policy, the establishment of mechanisms for their collection and activities related to their improvement, a number of other tax-related relations arise, which require management and



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coordination towards their single goal. Tax management, however, covers relations that are even broader than tax policy. Within the framework of state macroeconomic tax management, the tax service bodies, together with other authorized bodies, directly manage the activities of the tax system, register taxpayers and tax objects, record tax revenues, accumulate taxes in the budget and distribute taxes between budgets, establish tax obligations, determine liability measures for tax violations and bring them to justice, study the activities of the tax system and taxpayers, determine the psychological state of taxpayers and their opinions about the tax system, and organize, manage and coordinate the related relations of other bodies, other than tax service bodies, implementing these processes.

The tax administration process has a specific content and structure, and it covers a variety of activities (legal, economic, social, cultural). The effectiveness of the tax system often depends on the effective organization and implementation of tax administration. The most important element of tax management is tax administration. It is worth noting that the concept of tax administration, as a modern concept, has come into being as a synonym for the concept of relations of organization and management of the tax process.

Conclusions and recommendations

Strengthen cooperation and information sharing with international tax authorities to combat tax evasion and aggressive tax planning by large multinational corporations. The exchange of tax-related information, including transfer pricing documents, can help identify potential tax avoidance schemes and ensure fair taxation across borders.

Use advanced analytical tools and technological solutions to analyze large volumes of taxpayer data, identify irregularities, and identify potential tax risks. Data mining, machine learning, and artificial intelligence can improve the efficiency and effectiveness of tax audits, enabling tax authorities to identify non-compliant behavior and take immediate action.



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