E-ISSN: 2997-934X

American Journal of Business Practice
https://semantjournals.org/index.php/AJBP

| Research Article

CURRENT STATUS OF LAND TAX COLLECTED FROM INDIVIDUALS AND ISSUES OF IMPROVEMENT

Ashurova Oltin Yuldashevna
Samarkand Institute of Economics and Service, senior lecturer
Makhmudjonov Shokhjaxon and Sadriddinova Mokhirabonu
Samarkand Institute of Economics and Service, 4th year students

Abstract: This article analyzes the economic essence of land tax in Uzbekistan, its role and importance in local budget revenues, and existing problems in the process of its collection. Land tax is an important component of tax policy, which not only ensures the stability of the state budget, but also plays a significant role as a tool to encourage rational use of land. Finally, practical proposals are developed for improving land tax policy, including expanding the tax base, strengthening the regulatory framework, and using the experience of foreign countries.

Key words: *Land tax, local budget, taxation system, tax policy, fiscal stability, tax reform, local revenues.*

This is an open-access article under the CC-BY 4.0 license

INTRODUCTION

In the process of gradual transition to a market economy, the taxation system in Uzbekistan is undergoing a fundamental reform. The adoption of a new tax code, the digitization of state tax service bodies, and the introduction of innovative mechanisms such as the "Taxpayer's Personal Cabinet" are making the country's tax system more efficient and transparent. However, there are problems that need to be addressed, especially in the field of land tax:

1. The lack of a unified database and the issue of completeness of land parcel accounting. The lack of a clear and complete database of land parcels, the limited ability to reflect their ownership and use status in real time are major obstacles to the formation of the tax base. This, in turn, leads to incorrect formation of the land tax base and shortcomings in tax collection. It is necessary to increase the accuracy of the land tax base by creating a unified and systematic cadastral system.

2. Deficiencies in legal status and data updating. In some regions, the unclear legal status of taxpayers in relation to land plots and the lack of regular updating of land cadastre data are leading to low tax collections. This situation increases distrust between taxpayers and tax authorities and reduces the effectiveness of tax policy.

Correct and effective collection of land tax is an important factor in increasing local budget revenues and in the process of liberalizing the economy. Land tax is of great importance not only as a source of financial resources, but also as a means of encouraging rational use of land. Therefore, it is possible to ensure the stability of local budgets by improving land tax policy, effectively organizing tax mechanisms, and clearly defining the rights and obligations of owners.

The function of this tax, from a financial point of view, is to fulfill fiscal functions, from a promotional and control point of view, and from a fiscal point of view, from a revenue-forming point of view of local budgets.

The need to form local budget revenues and ensure the stability of revenues requires the implementation of a land tax to support and strengthen local regions in terms of socio-economic development.

Based on the objective necessity of the land tax, its economic essence is aimed at collecting a part of the average income received from the use of the land plot subject to the tax under certain economic conditions. In order to differentiate the tax amounts by land quality and natural climatic zones, tax rates for irrigated lands are established by administrative districts, divided into 10 levels by soil quality. Soil quality is a conditional indicator of comparative natural productivity at the current level of agriculture. When determining the soil quality, the genetic origin of the soil, the duration of irrigation, crop cultivation, the availability of agroclimatic resources, the mechanical composition, the genesis of soil formation, the permeability of the soil layer, the degree of salinity, erosion, stoniness, density and other natural properties of the soil are taken into account. Soil quality is determined according to a 100-point system.

Alluvial lands and pastures are divided into zones or vertical regions, where different levels of precipitation are formed, and their fertility is associated with these conditions.

In order to differentiate the tax amounts of land plots located in rural areas by location, coefficients increasing from 1.1 to 1.3 have been established for rates around administrative and industrial centers.

Over the past 5 years, land tax rates have been steadily growing, especially land tax from individuals has increased significantly. Effective land tax management and expanding the tax base will remain a priority in the coming years.

Studying the essence, goals and objectives of land tax at the current stage of modernization of the tax system of the Republic of Uzbekistan, as well as their impact on the activities of tax collectors, their contribution to budget revenues and existing problems, we can come to the following conclusions:

- Despite the sharp reduction in direct tax rates during the reforms being implemented within the framework of the adoption of the Concept of Improving Tax Policy, The land tax rates are increasing from year to year, which indicates that it is the most important source of local budget revenues;
- the fact that measures to influence private owners of vacant land are being strengthened in the taxation process, which shows how important land is;
- The land tax does not depend on the results of the economic activity of its owners;
- Land tax as a source of state revenue is a stable, reliable and relatively easy-to-understand means of taxation;
- The use of the experience of developed countries in taxing land resources in our country can also lead to effective results in eliminating existing problems;
- It is necessary to ensure a stable share of land tax revenues in the total volume of local budget revenues at a time when local budgets are implementing their own expenditures from their own funds.

The main directions for eliminating or improving the problems and shortcomings of the land tax system, taking into account the achievements and shortcomings of our republic, the achievements of foreign countries with high experience in the tax system, and based on the above conclusions, the following proposals can be made:

- Tax authorities should, in accordance with the procedure, assign local tax objects and tax evaders to citizens To eliminate shortcomings in the activities of organizations that directly submit documents on the basis of the privilege, and to ensure the accuracy of the information submitted to tax authorities, by creating a single centralized database in cooperation with organizations that directly submit documents on the basis of the privilege;
- To introduce a separate procedure for paying land tax on land used in household economy in order to impose a fair tax on land plots and increase the share of this tax in the local budget;
- When paying land tax for entities that own land in two districts, it is necessary to organize the payment of the tax to the budget of the district where the land is registered, the submission of reports to the tax office of that district, and the receipt of information in the appropriate manner in the second district. This, in turn, will prevent one organization from being inspected by two tax offices and an increase in the number of inspections;
- In order to promote the economical use of land resources by individuals, in cases where the land plots allocated to them have not been used or have been used for other purposes, and construction work has not been completed for a period of 2 years or more, starting from the 3rd year, the tax amount shall be reduced by a coefficient of 2, in the 4th year by a coefficient of 3, and so on. introduce a progressive procedure;
- Introduce a system of land tax based on normative and actual value, based on the experience of developed countries;
- Introduce a single real estate tax instead of property and land taxes for individuals;
- It is appropriate to introduce appropriate penalties for those who use land in violation of the procedures established by law.

To eliminate existing problems in the field of land taxation of individuals, it is necessary to improve the regulatory framework, create an effective information exchange system, optimize tax rates and strengthen penalty mechanisms. It is also important to modernize the tax system based on the experience of developed countries and encourage the rational use of land resources. These measures will be an important factor in expanding the revenue base of local budgets and ensuring economic stability.

References

1. Tax Code of the Republic of Uzbekistan: Official edition. T.: “Adolat”, 2019.
2. Gadoyev E, Kuziyeva N. Taxation of individuals. Textbook. – T.: “O’zbekiston”, 2012. - 336 p.
3. Vakhobov A.V, Jo'rayev A.S. Taxes and taxation. Textbook.–T.: “Sharq”, 2009. - 448 p.
4. A.Juraev, M.Usmanova, Taxation of individuals. Textbook, -T.: "Sano-standart", 2015. - 216 p.
5. Usmanova M.S. Problems of taxation of income of individuals by the declaration method. Monograph. - T.: "Tamaddun", 2013 y.144