



ISSN: 1987-6521; E-ISSN:2346-7541

DOI: 10.36962/GBSSJAR55042020

JUNE-SEPTEMBER 2020 VOLUME 55 ISSUE 04

GULUSTAN

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SCIENTIFIC JOURNAL OF ACADEMIC RESEARCH

APPLIED SOCIAL RESEARCH & BEHAVIORAL SCIENCES
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APPLIED SOCIAL RESEARCH & BEHAVIORAL SCIENCES



"An investment in knowledge always pays the best interest." Benjamin Franklin

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JOURNAL INDEXING

Crossref

Catalogue of Russian Journals Impact Factor (2016) – 0.171

Impact factor ПИИЦ 2017-0.041

UNITED KINGDOM, LONDON 2020

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ISSN: 1987-6521; E-ISSN: 2346 – 7541; UDC: 551.46 (051.4) / B-64

©**Publisher:** LTD Aspendos International Academy of Medical and Social Sciences. (UK, London).

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©**Editorial office:** 71-75 Shelton Street, Covent Garden, London, WC2H 9JQ, UK.

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TAXABLE CAPACITY OF BUSINESS ENTITY AND TAX PASSPORTS AS AN INSTRUMENT FOR ITS IDENTIFICATION AND ASSESSMENT

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ABSTRACT

A precondition for a successful budgetary and fiscal policy is to increase the revenue of the budget system by expanding tax capacity of the economy which implies the need to stimulate the growth of tax capacity and create a reliable information base support for its assessment. However there are significant problems related to a timely strategic and, especially, operational decisions to obtain information of the required amount and quality. The concept of determining the economic essence of the notion of “taxable capacity of a business entity” and its elements is proposed, within which the classification criteria (optimal and actual taxable capacity), the structure (resource and structural approach), functions (resource-saving, regulatory, informational and analytical), the place and role in the system of tax administration are distinguished. Using of this concept ensure the correct identification of the entity from the standpoint of its capacities to provide tax obligations to the state were outlined. The principles of forming tax passports of different business entities are laid out. The priority descriptions of key aspects of activity of different entities which allow estimating their tax potential and increasing tax incomes to the budgets have been highlighted. Taking into account the significant analytical orientation of tax passports it is proposed to include the following key indicators describing the entity, grouped into three groups: group I includes indicators that characterize the financial status of the entity; group II includes indicators that characterize the tax burden of the enterprise; group III includes indicators that characterize the tax culture of the subject and the effectiveness of the state financial control bodies, in the first place, the tax authorities. Qualitative compilation of tax passports with application of other documents on tax administration will help to determine real tax burden of a particular business entity and develop directions for its optimization, conduct rational tax policy, ensure the necessary amount of tax revenues to the state and local budget system.

Keywords: capacity, taxes, taxable capacity, taxable capacity of a business entity, information support, tax passport

INTRODUCTION

A precondition for a successful budgetary and fiscal policy is to increase the revenue of the budget system by expanding tax capacity of the economy which implies the need to stimulate the growth of tax capacity and create a reliable information base support for its assessment. There are significant problems related to a timely strategic and, especially, operational decisions to obtain information of the required amount and quality.

One of the ways to increase the efficiency of management is to provide users with information that sufficiently characterizes the impact of the tax system on the internal environment of the enterprise, allows assessing the tax potential of enterprises and making management decisions, including optimal options for financial and economic activities in the current tax system, and under the current level of tax burden. Information support of the management process is a rather complex mechanism of coordination of information resources and methods of their organization, analytical procedures, especially in the sphere of tax relations. In the process of assessing the tax potential of business entities a significant amount of information can be used and this massive of information requires systematization and evaluation. The objectivity and quality of work in this direction is determined by the degree of access to information, its completeness, and reliability.

Analysis of recent researches and publications. In recent years, special literature on budgetary and tax management has been supplemented by a number of papers by well-known scholars who outline the general theoretical problems of the formation of an effective budget and tax strategy, the experience of the formation of tax systems of different countries, the organization of tax accounting and modeling of tax processes.

Tax potential and methods of its assessment is the subject of research in various areas, which are presented in the scientific literature. First of all, it is worth noting the study of the theoretical foundations of tax potential (Besley & Persson, 2009) [Error! Reference source not found.]; (Müller, 2014) [Error! Reference source not found.]. It should be noted that these issues are actively discussed in the context of researches for a low-income country, in particular: determinants of taxable capacity and its estimation (Bassey & Efiang, 2018) [Error! Reference source not found.]; (Kwaku Amoh,

2019) [Error! Reference source not found.]; (Abdalaziz, 2012) [Error! Reference source not found.]. The study of the impact on the tax potential of particular taxes – such as VAT (Andoh, 2017) [Error! Reference source not found.] and income taxation (Ziegler Rogers & Weller, 2014) [Error! Reference source not found.] is important. Much attention is paid to the comparative analysis of the tax potential of different countries (Callan & Savage, 2012) [Error! Reference source not found.]; (Le et al., 2008, 2012) [Error! Reference source not found.; Error! Reference source not found.]). It is expedient to single out the study of the relationship between the tax potential and economy's sectors (Galimardanova et al., 2014) [Error! Reference source not found.] and regional development (Igonina et al., 2015) [Error! Reference source not found.]).

However, for the effective functioning of the budget and tax system it is not always sufficient to know the approaches and the mechanism for determining tax capacity and the essence of the indicators that form it. At present, the requirements for obtaining a more comprehensive list of indicators of social and economic development of some business entities, as well as certain industries, regions and the country as a whole, reflecting the current and prospective condition of their financial and economic potential and the overall quality of the conducted economic and social policy of the state, the effectiveness of achieving its goals. This is possible only if there is complete, reliable and unbiased information on the key aspects of the activities of different business entities and the possibility of assessment, based on this information, the tax capacity of these entities.

Main purpose of the article.

The objectives of the research are as follows: (1) to disclose the essence of the taxable capacity as an economic notion and the necessity to study it at different levels (country, region, business entity); (2) to determine the basic principles of the information support system for assessing the tax potential, its types and purposes; (3) to develop the principles for the formation of tax passports for their further use at the level of certain enterprises, branches of the economy and the region as a whole in order to form objective data that characterize their tax capacity.

Results and discussions.

In "broad" understanding, taxable capacity is a total amount of taxable resources of the territory. In "narrow" (practical) sense, taxable capacity is a maximum possible amount of income taxes and fees, calculated in terms of current tax legislation. There are many factors that influence taxable capacity of the territory, both objective and subjective. The objective factors include current tax legislation, the level of development of regional economy, regional industrial structure, the level and dynamics of current prices, volume and structure of export and import etc. Subjective factors include the state of tax policy, the number of tax benefits, indulgences and deferred payments (Kolomiets, 2000) [Error! Reference source not found., p. 12]. According to this view, the definition of taxable capacity in "broader" sense comes to the definition of taxable resources, despite the fact that such economic resources may be resources that are not taxed at a certain period of time or under certain circumstances.

Based on the interpretation of the essence of taxable capacity in "broad" sense, it is clear that taxable capacity of the country as a whole and a separate region is formed in the light of components of taxable capacity of certain business entities that operate within the limits of certain territory and taxable capacity of the population that receive income that under the current tax laws are subject to taxation. Therefore, the research should be aimed at defining the nature, essence and assessment of taxable capacity of business entities (companies, institutions).

It should be noted that taxable capacity of business entities (enterprises, institutions and organizations) are mostly identified with their tax burden (Osipova, 2006) [Error! Reference source not found., p. 9], and determine by the ratio of the total tax payments to the added value resulted in the process of production. In this case, taxable capacity of a business entity is considered as a result of the implementation of tax relations of a company with the state.

Tax relationship can not happen only through the efforts of one country; like any other relationship, they are bilateral. Thus, the formation of the state income tax, on the one hand, and tax expenses of companies as a form of implementation of taxable capacity, on the other hand, involves active participation of taxpayers in the process. This participation is realized within certain legislative tax behaviour which should be formed on the basis of not only such features as tax law and duty, but as notes (Gorskiy, 1999) [Error! Reference source not found., p. 24], on the reproducibility of tax.

Reproducibility of tax is conditioned primarily by the term of tax existence as a financial category within the state. In addition, in order to ensure reproduction of the real tax it is necessary to ensure reproduction of the tax base. The tax base, in its turn is derived from the result in the flow of capital. In this regard, any business entity will not have economic possibilities to reduce tax relations with the state to "zero" through various ways of avoiding or circumventing of the taxes if there is no regulation of process by the state.

Thus, tax relations are bilateral with one party as a taxpayer (business entity: company, institution, organization) and with the other party as the state. The basis of the tax relations is tax obligations. Based on the theory of obligations they must also be bilateral. This means that if a taxpayer generates tax liabilities and acts as a debtor to the state, then the state should also assume the tax obligations and liabilities to be taxpayer at least for unambiguous interpretation of tax laws and be responsible for the effective use of tax revenues. In these conditions the interest for the formation of taxable capacity of

a business entity will be realized not only by the state but by the entity (company) from the position the optimization of the value of taxable capacity and using it as a factor for creating and maximizing added value.

Thus, taking into account the analysis of modern concepts defining the essence of taxable capacity at micro and macro levels we offer the authors' definition of "taxable capacity of a business entity". Taxable capacity of a business entity is a target identifying variable of the business entity's resources can be transformed into tax revenues to the budgets of different levels under certain conditions of formation and use of the resources during normal proceedings of the business entity and the creation by the entity added value and maximizing it. The concept of definition of the economic essence of "taxable capacity of a business entity" and its components are shown in Fig. 1.

An amount of the required data is not collected or evaluated by regional authorities. The solution of the problem of information deficiency in the assessment of tax capacity both at the level of territory (region) and at the level of a business entity should be the creation of the system of tax passports.

The need to use it can be explained by the following reasons. The information used in the process of planning tax payments at the micro level and assessment of tax capacity should be complete and provide possibility for comprehensive analysis and forecast calculations.

The reality of information is based on the presentation of true data concerning the activities of business entity taking into account the particularities of the impact of the internal and external environment on the results of its operation.

When forming an amount of information it is important to take into consideration the efficiency of its acquisition. The smaller the time of data passing from the moment of the economic transaction to the moment of receiving by a tax manager, the more effective the solution can be developed on the basis of their use.

It should be considered that obtaining information should not be more expensive in comparison with the usefulness of its use. In this way, the effectiveness of using the information amount is ensured.

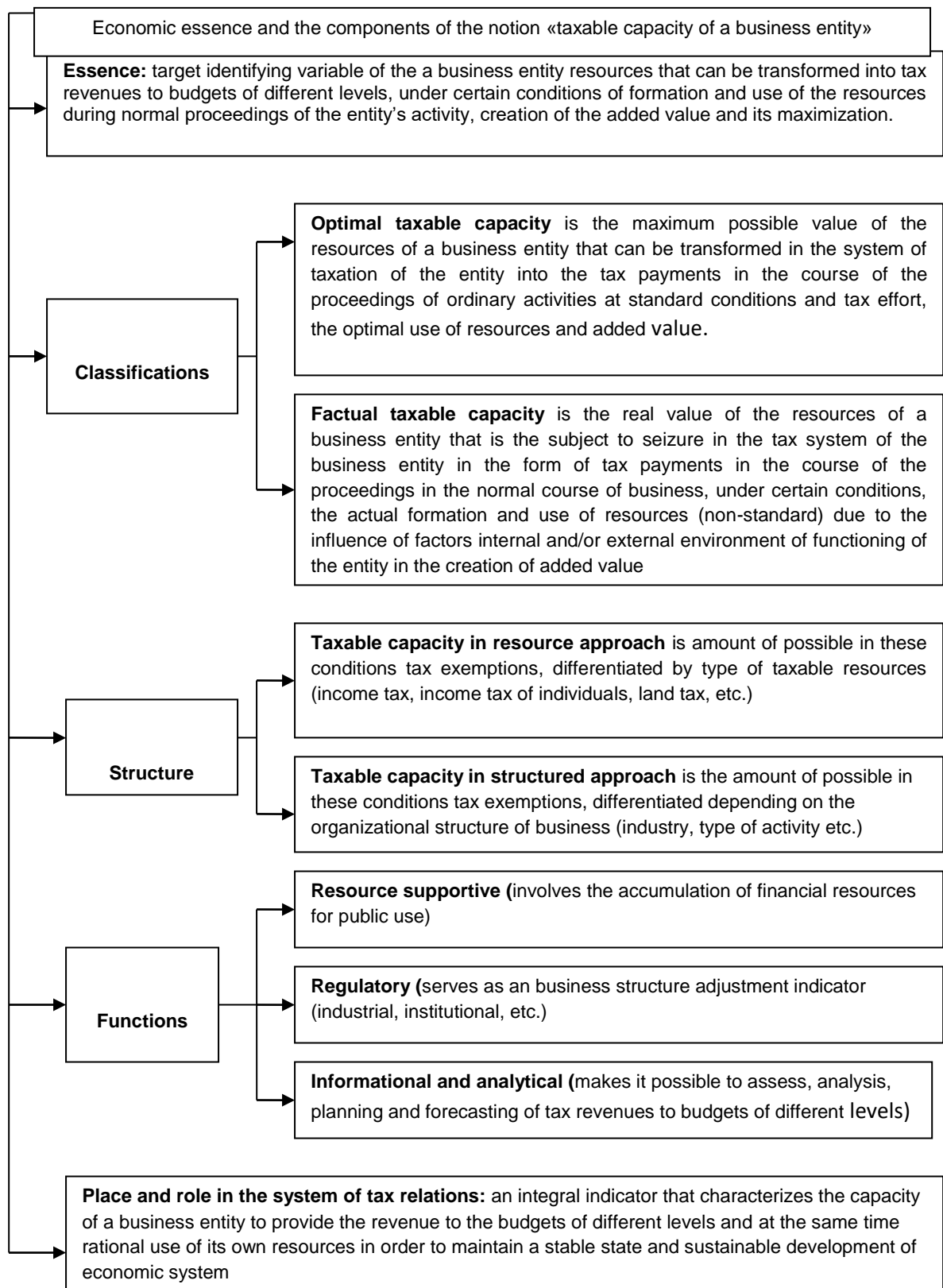


Figure 1. The concept of definition of the economic essence of the notion “taxable capacity” and its components
Source: composed by the author.

For example, the international rating “Paying Taxes” allow to assess the quality of the tax system for business. Rating of “Paying Taxes” (table 1) evaluates tax burden of an average enterprise in terms of administration and payment of corporate income tax, social contributions, taxes withheld from the income of employees, property taxes, taxes on transfer of property, taxes on dividends and other obligatory payments which have to paid by business. In addition, the analysis is made on the information on the frequency of submission of tax returns and payment of taxes, as well as the time required to perform tax obligations by business. The ranking also includes the assessment of the processes that follow tax payments, in particular tax audits, receiving budgetary claims, administrative appeals. Such complex of indicators allows making a detailed analysis of tax systems.

Table 1. Indicators of "Paying Taxes"

Indicator	Description
<i>the number of payments</i>	measures the frequency with which the company has to file and pay different types of taxes and contributions, adjusted for the manner in which those filings and payments are made
<i>total tax rate</i>	the measure of tax cost, the total of all taxes borne as a percentage of commercial profit
<i>the time to comply with the three main taxes</i>	three main taxes include corporate income taxes, labour taxes and mandatory contributions, and consumption taxes; time captures the time required to prepare, file and pay each tax type;
<i>post-filing index</i>	based on four equally weighted components: 1) time to comply with a VAT refund (hours); 2) time to obtain a VAT refund (weeks); 3) time to comply with a CIT audit (hours); 4) time to complete a CIT audit (weeks)

Based on the reports of 2017 and 2020 the comparison of Ukraine with other countries and groups of countries (table 2) shows that Ukraine has favourable conditions by the indicators such as "Number of tax payments" and "Post-filing index" but too much time for calculation and payment of taxes and a relatively high overall tax rate.

Table 2. Comparison of the indicators of Ukraine and Slovenia by the indicator "Paying Taxes 2017" [**Error! Reference source not found.**] and “Paying Taxes 2020” [**Error! Reference source not found.**] with groups of countries

Indicator	Ukraine	Europe and Central Asia	OECD high income	Ukraine	Europe and Central Asia	OECD high income
Rank among all countries	84	-	-	65	-	-
Number of tax payments	5,0	17,6	10,9	5,0	14,4	10,3
Time for calculation and tax payments	355,5	221,5	163,4	328,0	213,1	158,8
Overall tax rate (% of income before taxation)	51,9	33,8	40,9	45,2	31,7	39,9
Post-filing index (0-100)	79,3	71,9	85,1	86,0	68,2	86,7

But it must be admitted that such a small number of payments was actually artificial in Ukraine. As a result of the tax reform in 2015, three property taxes were replaced by one, in which the same three types were distinguished; the same situation occurred with rental payments and social and pension insurance fees. However, it is important to avoid activities that "artificially" increase the ranking of the country without real improvement in the area as this may adversely affect the image and reputation of the country causing distrust of the governance and regulation.

To ensure control over the correctness of the calculation and payment of taxes at the enterprise level, it is expedient to apply the following registers of tax accounting: tax passport; tax card; the calculation table; a check list for reporting to the State Tax Administration; a check list of tax payments to the budget.

The most comprehensive and informative document of the indicated registers is the tax passport of the company. This document includes all types of taxes paid by the business entity in the process of economic activity. This document is necessary to control the completeness of charging and paying corporate taxes, as well as for timely adjustments of tax policy when the approaches to the activities are changed.

The initiators of introducing such a document into the information system should be state authorities. Consequently, this document should be compiled taking into account the tasks that are solved within the framework of external tax administration.

The tax passport is a document in which a comprehensive description of the tax capacity should be provided. The tax passport must be geared towards the needs of state and local government bodies. It should provide adequate assessment of the situation in the economic and tax spheres of the country and take appropriate decisions aimed at increasing the level of taxes and fees. However, it may be interesting for taxpayers in terms of financial and investment potential of the region, types of economic activity and specific business entities.

The basis for establishing such a system of tax passports should be the informational system for assessing tax capacity and planning of budget revenues at different levels in terms of tax revenues based on the informational structure of the region in the form of the corporate network of government, local self-government and state information resources that exist in different departments.

A certain system of tax passports can be created depending on the classification features (Fig. 3).

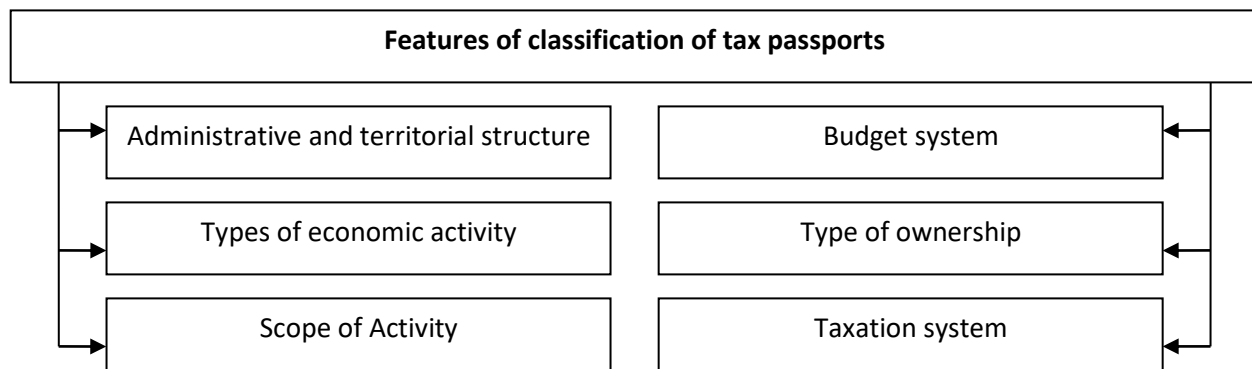


Figure 3. Classification of the information in tax passports
Source: composed by the author.

According to the administrative and territorial structure there can be created tax passports of different regions: regions, districts, cities.

The classification mark "budget system" is necessary, since the administrative and territorial structure may not fully characterize the budget needs of different regions. Thus, the budget system of Ukraine consists of the state budget and local budgets; in addition there is a complex system of consolidated budgets.

The criterion "types of economic activity" allows drawing up a tax passport for a group of companies in one sphere within different regions, budgets, etc. Depending on the needs of management the following areas of economic activity can be distinguished: industry, transport, agriculture, trade, housing and communal services, financial services, etc.

In accordance with the mark "types of ownership" tax passports can be drawn up for such groups of enterprises: state enterprises, economic partnerships (OJSC, LLC, etc.) with the authorized capital shares belonging to the state or local self-government bodies; entirely non-state-owned enterprises, private enterprises, etc. Tax passports compiled according to such groups will increase the efficiency and effectiveness of management of state property and public funds.

The criterion "volume of activity" is highlighted in accordance with the requirements of Article 63 of the Commercial Code of Ukraine. This article provides the criteria for assigning enterprises to small, large and medium enterprises: the number of employees and the amount of gross profit from sales of products per year.

Making up passports for enterprises that are grouped according to the applied tax system will allow assessing the tax capacity of different taxpayers. It is proposed to allocate the following groups of enterprises: business entities that apply the general system of taxation; economic entities that apply a simplified tax system in the form of payment of a flat-rate tax; agricultural enterprises paying a fixed agricultural tax; non-profit organizations.

Let's consider in details the principles and procedure for the formation of a tax passport of a business entity.

At the level of the entity the structure of the tax passport should be as follows:

1. General information about a business entity.
2. Main social and economic indicators of the enterprise.
3. Information on accounts in banks and other financial and credit institutions.
4. Benefits used by the business entity including the amount of subsidies received and subventions received from budgets of different levels.
5. Indicators for calculating taxable bases.
6. Tax liabilities of the enterprise to the budget.
7. System of indicators of tax burden.
8. Information on arrears of taxes and duties.

The section "General information about a business entity" should also include positions that characterize the system and features of taxation of enterprises but not only such details as data on the persons responsible for financial and economic activity, the structure of founders, activities, the nature of foreign economic activity, etc.

The section "Basic social and economic indicators of an enterprise" should contain a set of indicators in accordance with the forms of statistical and financial reporting.

In the section "Information on accounts in banks and financial and credit institutions" the relevant information is grouped, taking into account that this information is important for tracking the cash flow of the enterprise.

The section on benefits of an entity should include the following information: information about subsidies and grants received from the budget; the amount of deferred payments, tax privileges, amounts of taxes that are subject to reimbursement from the budget, in particular, VAT and amounts actually received on the current account.

All indicators of the passport should be placed in the table which will provide a complete picture of the main social and economic indicators of the legal entity, its structure, the presence of affiliated (dependent) enterprises, the indicators used to calculate the tax base, the dynamics of receipt of tax payments (fees) by the levels of the budgets, debt and tax burden.

Taking into account the analysis of the main sources of information on the activities of certain business entities we have identified the system of indicators that allow assessing their tax capacity and should be included in the tax passport.

Group I. Indicators that describe the financial situation of a business entity.

An enterprise is a complex system which consists of many subsystems, and therefore the assessment of its financial status should be characterized by the complexity of the approach, that is, the use of a certain system of indicators. A general assessment of the financial situation of an enterprise is usually presented as a system of indicators that most fully characterizes the degree of stability of its financial state.

Group II. Indicators that characterize the company's tax burden

Information on the indicators used to calculate taxable bases and tax liabilities to the budget reflect the absolute levels of financial relations between enterprises with budgets of different levels. Relative indicators include the system of tax burden indicators.

In recent years, the practice of tax authorities applies the method of identifying reserves of budget replenishment as a calculation of the average tax burden in the region and Ukraine. With this indicator, the relevant indicators are compared by calculation according to certain enterprises in a particular industry. This method is based on the assumption that for each business branch there is a certain correlation between the costs incurred by the enterprise in the course of its economic activity and the income received.

Accordingly, a certain percentage of the tax burden on one or another kind of activity is determined. Since there are many enterprises that belong to the same industry and pay much lower taxes and payments with the same gross revenues, bringing the tax burden on such economic entities to the level of the medium-scale industry would give an opportunity to increase the revenues of the state and local budgets.

This calculation is also used when distributing taxpayers according to the categories of attention. The distribution of each business entity is carried out in four categories:

1. individual tax behaviour (timeliness of presentation of tax reporting and payments to the budget, deviation from the average values of the industry, detection of violations of tax legislation during preliminary inspections, etc.);
2. riskiness of management (availability of risky activities, frequent changes in activities, etc.);
3. fiscal importance (volume of gross income, tax burden);
4. affiliation with the industry (group) in which the activity was carried out.

The procedure for calculating reserves of budget replenishment at the expense of bringing tax burden to the average industry indicator clearly allows outlining the range of enterprises that are likely to understate the amount of taxes, duties and mandatory payments. However, this method only "outlines" this circle, since each enterprise pays not one but a few taxes, the size of which is influenced by many factors. Therefore, it would be advisable to calculate the tax burden for individual taxes in order to identify:

1. specific types of taxes that are subject to deviation;
2. factors that lead to deviations (for example, for tax purposes, you can compare the structure of gross expenditures).

In this case, the taxation system applied by the enterprise is also important. For example, for agricultural enterprises, the tax burden will depend mainly on two factors: the land area (fixed agricultural tax) and the number of employees (income tax level). And since gross profit will depend on a particular cultivated crop then under all equal conditions (area of land,

number of employees), the tax burden in the form of the amount of taxes on 1 UAH of gross profit will vary considerably among different agricultural enterprises, and such fluctuations will not indicate a concealment of taxation.

In addition, the use of average tax burden across the region and the country as a whole as an external criterion of optimality causes some doubts. In general, the average is considered to be stable and can be used as a generalization characteristic of a statistical aggregate only if the coefficient of variation (the ratio of the mean square deviation to the average) does not exceed 33%. The given data shows that this condition is not fulfilled, and the average level of tax burden is not representative. This assertion is based on the fact that there are significant differences in the levels of tax burden in the region; the average level of tax burden in almost every sector is determined mainly by one enterprise which has absolute subjective advantages that allow it to pay a rather high level of taxes.

It is necessary to group enterprises according to certain features (regions, industries and branches, number of employees, capacity, types of products, etc.) in order to establish the real level of possible tax revenues based on the level of profitability of various types of resources.

In addition, the available variability of the industry in relation to the type of product and specific activities and the level of specific profitability should be taken into account.

Group III. Indicators characterizing the level of tax culture of the entity and the effectiveness of the work of the state financial control bodies, in the first place, the tax authorities.

The information about the inspections and debts to the budget should characterize the tax history of the enterprise and the effectiveness of the work of the bodies of the State Tax Service and other bodies of state financial control.

For example, various indicators derived from different sources may be used to assess the level of personal income tax payrolls, in particular, the use of information available at the State Service of Ukraine for Labor on the number and results of inspections carried out. The following indicators which make it possible to estimate the level of payment of personal income tax of certain business entities include the following:

- average number of staff members;
- the number of part-time employees;
- the amount of accrued income for all employees (for a quarter, year);
- the amount of paid income (for a quarter, a year);
- the amount of accrued income tax (for a quarter, year);
- the amount of income tax paid (for the quarter, year);
- the ratio of accrued income and accrued income tax;
- the ratio of paid income and income tax paid;
- average accrued income per worker (for a month, a quarter, a year);
- a certain amount of paid income per employee (for a month, a quarter, a year)
- an average monthly salary;
- an average salary level (in the oblast, country);
- the amount of wage arrears (at the end of the quarter, year);
- accrued but not paid wages, the expiration of which has expired (at the end of the quarter, year), including the amount of wages, delayed payment of which is more than one month;
- the amount of personal income tax payable (at the end of the quarter, year);
- the amount of income tax arrears expired (at the end of the quarter, year);
- the amount of income tax arrears exceeding one month (at the end of the quarter, year);
- the ratio of wage arrears and arrears of personal income tax;
- number of taxpayer checks of income tax accrual and income over the past three years;
- the date of last check by the tax authorities of the correctness of the calculation and payment of income tax of individuals;
- the results of inspections: financial penalties, financial penalties paid to the budget, paid by management of administrative fines;
- the amount of the accrued and paid penalty for delaying the payment of income tax for the last three years, reference is the amount of the income tax arrears, on which the penalty is calculated;
- the amount of the accrued interest for delaying the payment of personal income tax (at the end of the quarter, year); the reference amount is the amount of the tax arrears of the income on which the penalty was calculated;
- the number of inspections carried out by the State Service of Ukraine for Labor over the last three years;
- date of the last inspection by the State Service of Ukraine for Labor;
- results of inspections: fines were imposed on officials, a criminal case was initiated (in the case of closing a criminal case - the amount of arrears of wages).

The proposed indicators that reflect the main key aspects of the entity's activities can be specified depending on other classification characteristics of tax passports.

Conclusions and further researches directions. Generalization of the results of this study provides an opportunity to determine category "taxable capacity of a business entity" as target identifying variable of the business entity's resources can be transformed into tax revenues to the budgets of different levels under certain conditions of formation and

use of the resources during normal proceedings of the business entity and the creation by the entity added value and maximizing it.

Based on the place and the role of taxable capacity of a business entity in the system of tax administration it is appropriate to classify it for optimal and effective. The optimal taxable capacity of a business entity is the maximum possible value of the resources of a business entity that can be transformed in the system of taxation of the entity into the tax payments in the course of the proceedings of ordinary activities at standard conditions and tax effort, the optimal use of resources and added value. The factual is the real value of the resources of a business entity that is the subject to seizure in the tax system of the business entity in the form of tax payments in the course of the proceedings in the normal course of business, under certain conditions, the actual formation and use of resources (non-standard) due to the influence of factors internal and/or external environment of functioning of the entity in the creation of added value

Solving of the problem of information deficiency when assessing the tax potential both at the level of territory (region) and at the level of a business entity should be the creation of the system of tax passports. Proper information support of the tax planning process at the micro level serves as the basis for a qualitative assessment of the tax capacity, the study of the reasons for the deviation of the actual amounts of tax revenues from the planned indicators, the development of the basics of optimization of tactics and the strategy of tax control. The tax passport allows adequately assessing the situation in the country's economic and tax areas and make appropriate decisions aimed at raising taxes and fees. However, it may be interesting for taxpayers in terms of financial and investment potential of the region, types of economic activity and certain business entities.

It is necessary to introduce the mechanism of certification of business entities at the legislative level. The basis for establishing the system of tax passports should be the informational system for assessing tax potential and planning budget revenues of different levels in terms of tax revenues based on the information structure of the region in the form of a corporate network of government, local self-government and state information resources that exist in different departments

When developing a tax passport, it cannot be reduced to tax reporting, because it can not give full and detailed information on the tax status of a region and a particular enterprise. Taking into account the significant analytical orientation of tax passports it is proposed to include the following key indicators describing the entity, grouped into three groups: group I includes indicators that characterize the financial status of the entity; group II includes indicators that characterize the tax burden of the enterprise; group III includes indicators that characterize the tax culture of the subject and the effectiveness of the state financial control bodies, in the first place, the tax authorities.

Qualitative compilation of tax passports with application of other documents on tax administration will help to determine real tax burden of a particular business entity and develop directions for its optimization, conduct rational tax policy, ensure the necessary amount of tax revenues to the state budget system, and create a more objective system of intergovernmental fiscal relationships.

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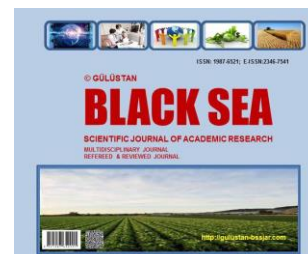
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ISSN: 1987-6521; E-ISSN:2346-7541; DOI:10.36962/GBSSJAR

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Direktorun müavini və Payçı: Namig Isazade. PhD in Business Administration.

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ISSN: 1987-6521; E-ISSN:2346-7541
JUNE-SEPTEMBER 2020 VOLUME 55 ISSUE 04

DOI: 10.36962/GBSSJAR54032020

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