

## PRACTICE AND ANALYSIS OF USE OF PROPERTY TAX IN INCREASE OF THE BUDGET REVENUE BASE

*Hamroev Umid Muhammadavych*

*Tashkent State University Of Economics*

*Independent Researcher*

**Abstract:** The article analyzes the structure of state budget revenues (excluding state targeted funds). In particular, the dynamics of changes in the share of state budget revenues in GDP, the high share of tax revenues in the state budget, the share of indirect taxes in state budget revenues, the level of tax collection for taxpayer groups. Practical suggestions and recommendations for stabilizing state budget revenues are also provided.

**Key words:** tax policy, state budget, gross domestic product (GDP), tax burden, indirect and direct taxes, value added tax, taxpayers

**Introduction:** According to the legislation of the Republic of Uzbekistan on citizenship, "property is divided into immovable property and movable property as an object of civil rights. Immovable property includes land plots, underground resources, buildings, structures, perennial trees and other property integrally connected with the land, that is, objects that cannot be moved without causing disproportionate damage to their intended purpose, as well as other property. can be included in the list of property and acquisition of rights to immovable property and their cancellation" is determined to be based on the law.

A. Vartaљовб and K. Červená agree that the property tax is one of the taxes that limit economic growth the least. This may be the reason why the property tax is often referred to as a traditional direct property tax, which is used as a local tax; therefore, it is one of the most frequently analyzed topics.

The main purpose of introducing a property tax in each country is to regulate the effective use of property in certain economic conditions by means of taxes and to collect part of the average income of property owners from the use of taxable property as a tax to the state budget, as well as when introducing a property tax, In order to avoid paying taxes on excess and unused assets of enterprises in their economic activities, the issues of stimulating interest in selling them and encouraging the effective use of some privileged assets on the balance sheet are also provided for.

At the same time, property tax is one of the main sources of income for local budgets, and the expenses from the local budget are mainly directly dependent on the weight of this tax revenue.

The reduction of local taxes in the structure of local budgets, when analyzing direct property tax revenue in terms of total budget revenue, in 2016-2020, the share of property tax in the weight of the state budget and local budget revenues is very low, while this tax revenue has a sharp downward trend in recent years. that, in particular, property tax revenue increased by 121.4% in 2016 compared

to the previous year, 128.3% in 2017 compared to the previous year, 122.3% in 2018, 88.4% in 2019 and 85.4% in 2020. We observed in the previous section of the research work that it was 6 percent.

Therefore, it was deemed necessary to analyze the problems of property tax revenue in comparison with the number of taxpayers. Because, precisely in 2016-2024, drastic changes were made in the number of legal entities and individuals paying property tax.

**Table 2.2**

**Comparative indicators of the number of legal entities and individuals paying property tax and tax revenues in 2016-2024<sup>1</sup>**

N	Years	Paid by legal entities			Paid by individuals		
		Tax revenue	Compared to last year	Show growth is small	Tax revenue	Compared to last year	Show growth is small
1	2016	915,8	157854,9	117,0	445,1	108,4	132,2
2	2017	1 072,8	157,0	117,1	575,6	130,5	129,3
3	2018	1 897,8	343,6	122,1	708,3	132,8	123,1
4	2019	1 553,7	-344,1	81,9	752,4	44,1	106,2
5	2020	1974,1	420,4	127,0	742,1	-10,3	98,6
6	2021	1576,0	-398,1	79,8	881,0	138,9	118,7
7	2022	3040,5	1464,5	192,9	974,9	93,9	110,7
8	2023	3609,3	568,8	118,7	1488,4	513,5	152,7
9	2024 (прогноз)	5054,2	1444,9	140,0	1660,8	172,4	111,6

According to the data of Table 2.2 above, in 2016-2024, the number of legal entities paying property tax increased almost 10 times (from 6,723 in 2016 to 64,966 in 2019), and the number of individuals paying property tax increased 1.4 times (from 5,198.7 thousand to 7,255,539 thousand in 2020), (Only in 2020, the number of taxpayers decreased due to the benefits given due to the coronavirus pandemic.) Although it has increased sharply, the income from property tax paid by legal entities is unstable compared to the number of taxpayers, that is, in 2019, the number of taxpayers increased almost tenfold, while tax revenues decreased compared to the previous year.

The results of the analysis show that the current situation in the dynamics of revenues from local taxes, including property tax, the growth of tax revenues depends not only on the number of taxpayers, but also on the correct determination of the objects of taxation, the tax calculation base and tax rates, and a thorough analysis of these tax elements is required.

In accordance with Articles 410 and 418 of the Tax Code of the Republic of Uzbekistan, which was put into practice in our country from 2020, legal entities owning property that is considered an

<sup>1</sup>The table was prepared by the author based on the information of the State Tax Committee.

object of taxation in the territory of the Republic of Uzbekistan and non-resident legal entities of the Republic of Uzbekistan owning real estate and houses, apartments, field yards physical property tax payers with buildings, real estate objects intended for business activity or income, and unfinished non-residential objects.

In accordance with the legislation of the Republic of Uzbekistan on taxation, "real estate is considered the object of taxation imposed on the property of legal entities, and real estate includes:

- buildings and structures that must be registered with the state registration bodies of rights to real estate;
- unfinished objects. Unfinished objects include objects whose construction was not completed within the normative period specified in the project-estimate documents for the construction object, if the normative construction period is not defined, objects whose construction was not completed within twenty-four months from the month of receipt of the permit of the body authorized for the construction of this object;
- railways, main pipelines, communication and power transmission lines, as well as facilities that are an integral technological part of these objects;
- the balance sheet of construction organizations or building builders includes residential real estate objects indicated for later sale (in this case, the real estate object is considered a tax object six months after it is put into use).

**In conclusion**, in the above chapters of our scientific work, we considered and analyzed that the role of increasing the budget income base in the expansion of the tax base is extremely high. The budget-tax policy conducted in our region is mainly aimed at forming the income of local budgets from local taxes, fully financing the expenses of local governments from their own income. But, unfortunately, we cannot say that in the formation of local budget revenues, particularly in the formation of local taxes at the expense of property and land taxes, which are considered the main income of local budgets.

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