



IMPROVEMENT OF THE PRACTICE OF CALCULATING THE TAX BASE OF PROPERTY TAX OF INDIVIDUALS

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Annotation: *This article studies the reforms being implemented to improve the practice of calculating property tax of individuals, the scientific views of leading economists on this issue, and analyzes based on statistical data.*

Keywords: *tax, individual, property, real estate, local tax, property tax, land tax, cadastral value, market value, tax rate.*

Increasing budget revenues in the context of the transition to a market economy is an important and complex process. The economic development of regions, the restoration of infrastructure, social protection of low-income families, and, when appropriate, the satisfaction of the population, depend on the correct resolution of financial issues of local budgets in each region. Today, one of the urgent issues is the implementation of modern methods for improving the practice of calculating the tax base of property tax on citizens and increasing the efficiency of property use.

Several scholars have conducted scientific research on theoretical, methodological and practical issues related to ways to improve the practice of calculating the tax base of property tax for individuals and the problems it poses. In particular, Yu. Shmelyova and R. Margulis (2012) also noted that the taxation of residential real estate owned by individuals can cause many problems, and that

determining its taxable base and setting the tax rate are key issues when introducing a single real estate tax¹.

I.Gorsky (2012) and M.Beryozinlar (2011) also emphasized the need to be careful and based on careful calculations when introducing a single real estate tax. Uzbek scientist I. Niyazmetov (2008) also considered this issue and proposed a gradual transition to a real estate tax that would apply to legal entities and individuals in the same manner, leaving only real estate objects in the property tax object, combining it with land tax^{2,3}.

In agreement with the opinions of economists, relevant conclusions and proposals were developed to improve the practice of calculating the tax base for property tax.

The following are some of the problems in the practice of calculating property tax on real estate owned by individuals:

- the lack of a clear and effective mechanism in practice for identifying real estate that has not passed state registration;
- the lack of a transparent, technological and objective assessment system for each real estate object;
- incomplete integration of the tax system and the cadastral agency database;
- low legal literacy of property owners in documenting arbitrarily constructed buildings and structures;
- high prices for services in the formation of cadastral documents for real estate objects.

¹ Shmelyov Yu.D., Margulis R.L. (2012) The new concept of the mechanism of non-moving physical devices and the mechanism of realization // Finance. No. 1.

² Gorsky I. V. (2012) Taxation and immovable property: za i protiv // Finansy. No. 2.18., Berezin M.Yu. (2011) Novyy nalog na nedvizhimost v rossiyskoi nalogovoy sisteme // Finansy. No. 4.

³ Niyazmetov I.M. (2008) Analysis of the impact of the tax burden on the financial activities of business entities and budget revenues. i.f.n. diis prepared for his degree. - T.: p. 99 p.

The main factors affecting the share of property tax include the following: - the cadastral value is used as the basis for calculating property tax. If the cadastral value lags behind real market prices, the tax amount is also considered low;

- tax rates for legal entities and individuals may be changed based on decisions made by the state. The abolition of certain tax benefits will also have a positive impact on tax revenues;

- if the number of newly built housing, commercial and industrial facilities increases, the tax base will expand;

- the state will conduct property legalization and revaluation campaigns;

- when real incomes of the population decrease, delays or arrears in paying property taxes may increase. This will affect the share of revenues.

The tax base is of great importance in calculating property tax, and the minimum tax base for property tax of individuals is determined, that is, the minimum tax base is 42 million soums (even if the market value is less than this). If there is no official assessment, then Tashkent, Nukus, regional centers - 210 million soums, other cities and rural areas - 84 million soums.

It is advisable to develop a project mechanism for the formation of an accurate and fair tax base based on improving the calculation of property tax of individuals. The purpose of this project mechanism is to ensure accuracy and fairness in calculating the tax, taking into account the actual market value of property objects belonging to individuals when assessing and forming the tax base.

As a solution to this project mechanism, it is necessary to implement the following: Automated online valuation platform + tax base zoning + expanding the ability of individuals to value property, with the introduction of an automated valuation platform that takes into account market prices. The concept of geolocation - the type, region and zone are determined based on the property address.

Based on property data - area, year of construction, material, infrastructure are determined. Real estate market data are automatically compared with the regional

price base. With automatic valuation, the conditional value is automatically calculated based on a special formula.

The effectiveness of the project mechanism:

- increases tax revenues.
- ensures a clear tax base that is close to market value.
- increases transparency and citizen confidence.
- reduces tax evasion.

In conclusion, it can be said that a fair and clear tax base will be formed for property owned by individuals. The stability of the tax system, increased state budget revenues, and the consent of the population will be ensured.

- it is necessary to introduce an automated valuation platform that takes into account real market prices. The goal is to create a real and fair tax base for each property instead of a conditional value. As a result of the introduction of an updated online property valuation service, taxpayers will pay taxes proportional to the real value of the property.

- it is necessary to introduce regional tax rates based on current tax rates. The purpose of this is to take into account the large difference in market values between property in cities and villages.

- it is necessary to improve the mechanism of tax benefits for socially vulnerable groups. The purpose of this is to support the population with limited ability to pay taxes. It is necessary to introduce a system of granting benefits based on monthly income and social status, rather than on a general basis.

List of used literature

1. Shmelev Yu.D., Margulis R.L. (2012) The new concept of the mechanism of non-moving physical devices and the mechanism of realization // Finance. No.1.

2. Gorsky I.V. (2012) Taxation and immovable property: za i protiv // Finansy. No. 2.18.

3. Niyazmetov I.M. (2008) Analysis of the impact of the tax burden on the financial activities of business entities and budget revenues. i.f.n. diss. prepared for the degree. - T.: p. 99 p.

4. <https://openbudget.uz> - the open budget portal of the Republic of Uzbekistan