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TAX RELATIONS SYSTEM IMPACT ON THE EFFICIENCY OF THE TAX ADMINISTRATION SYSTEM PERFORMANCE

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Tax administration presents a package of measures of authorized government bodies and their officials designated at the implementation effective government tax policy. One of the tax administration aspects is a problem of tax authorities functioning performance improvement, whereas they play a leading role in the government's balance sheet formation, on the one hand, and on the other – they require very significant budget expenditures for their activities. Insufficiently rational organization of the tax service structure as a whole and its regional divisions in particular lead to increased costs, requires coordination of their activities, reduces the potential of tax authorities. The implementation of the main directions of tax administration is aimed at building a cost-effective tax system, improving the competitiveness of the national economy and accordingly, the standard of living of the population.

The tax management effectiveness studying necessity is explained by the fact that in the conditions of macroeconomic instability, reducing the responsibility of taxpayers, the level of discipline of taxpayers decreases, the level of evasion from payment of tax obligations increases. On the basis of the SWOT analysis, the assessment of the weaknesses and strengths of tax control in the Republic of Kazakhstan and some recommendations to improve its effectiveness are given. The main conclusion is the need to revise the strategy of increasing the efficiency of tax control in the direction of voluntary repayment of tax payments by taxpayers, which, in turn, will seriously reduce the gap between planned and actual revenues to the budget.

ВЛИЯНИЕ СИСТЕМЫ НАЛОГОВЫХ ОТНОШЕНИЙ НА ЭФФЕКТИВНОСТЬ ДЕЯТЕЛЬНОСТИ СИСТЕМЫ НАЛОГОВОГО АДМИНИСТРИРОВАНИЯ

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Ключевые слова:

налоговый контроль, совершенствование, поступление налогов, налоговое

Налоговое администрирование представляет собой комплекс действий, уполномоченных государственными органами и их должностными лицами, направленных на реализацию эффективной налоговой политики

администрирование, экономические результаты, фискальная эффективность, критерии эффективности.

государства. Одним из аспектов налогового администрирования является проблема повышения эффективности функционирования налоговых органов, поскольку они играют ведущую роль в формировании бюджета государства, с одной стороны, а с другой – требуют для своей деятельности весьма существенных бюджетных расходов. Недостаточно рациональная организация структуры налоговой службы в целом и ее территориальных подразделений в частности ведет к повышению соответствующих затрат, требует координации их деятельности, сокращает потенциал налоговых органов. Реализация основных направлений налогового администрирования направлена на построение экономически эффективной налоговой системы, на повышение уровня конкурентоспособности национальной экономики и, соответственно, уровня жизни населения. Необходимость исследования вопросов эффективности налогового контроля объясняется тем, что в условиях макроэкономической нестабильности, сокращения ответственности налогоплательщиков снижается уровень дисциплинированности налогоплательщиков, растет уровень уклонения от оплаты налоговых обязательств. На основе SWOT анализа проведена оценка слабых и сильных сторон налогового контроля в РК и даны некоторые рекомендации по повышению его эффективности. Также указана необходимость пересмотра стратегии повышения эффективности налогового контроля в сторону добровольного погашения налоговых платежей налогоплательщиками, что, в свою очередь, серьезно сократит разрыв между запланированными и реальными поступлениями в бюджет.

The main material of the research

The problems of improving tax administration efficiency at the present stage of development of the Republic of Kazakhstan are becoming increasingly important, as the problems of filling budgets, the relationship of tax authorities with taxpayers, the identification and elimination of tax offenses that lead to losses of budget revenues [9]. At the modern stage of economic development, tax administration is recognized as a purposeful management activity of state authorized bodies and their officials to implement an effective tax policy, which includes not only the processes of organizing the application of legislation on taxes and fees, monitoring its compliance, but also the procedures for identifying the best methods of their implementation, aimed at minimizing budget expenditures while increasing budget revenues [4].

The administration purpose is to ensure tax revenues in an optimal combination of methods of tax regulation, planning, forecasting, and control on the basis of the basic principles of taxation [4]. This approach to the concept of tax administration takes into account the main functions and tasks of state bodies in the field of management of taxation processes, specifies the purpose and mechanism of their activities. The main methodological problem in this area is that the mechanism of tax administration generates different results that are not always comparable.

The main result of the functioning of the mechanism of tax administration is the receipt of tax payments to the budgets of all levels. However, ensuring timely tax revenues, though the main, but not the only task of the mechanism of tax administration [5]. Such a mechanism is designed to ensure timely administration of tax relations, including proper accounting of taxpayers, processes and objects of taxation, registration of tax returns and other documents, providing explanations of

tax legislation [1], to hold consultations on its understanding and application [9].

The effectiveness of tax administration can be determined, first of all, through an economically significant indicator that will take into account the totality of certain economic effects obtained at certain costs for maintaining the administration process [9]. On the one hand, a fairly universal indicator of assessing the effectiveness of tax administration is the fiscal efficiency of the tax system. This approach is quite logical: all operations performed with the help of the tax administration mechanism are aimed at ensuring that proper tax revenues are provided as a result of taxation at acceptable costs. On the other hand, this position is not consistent with modern theoretical and methodological concepts of taxation, including the concept of tax compromise, the concept of tax partnership. If the tax authority aims only at steadily increasing revenues under all conditions, which means simultaneously increasing fiscal efficiency, then compromise and partnership are impossible.

The fiscal efficiency of taxes as their ability to fill the budget is affected by many factors. In recent scientific studies, it has been customary to pay more attention to the ability to provide budget revenues, laid down by the internal mechanism of calculation of a tax. To this was added a number of external factors that influenced the change in the base. Thus, the fiscal efficiency of the tax system is understood as the ability of taxes to fill (form) the budget in the planned volumes [9]. Fiscal efficiency depends primarily on the fiscal potential of the tax, i.e. its potential to provide a certain (sufficient) amount of tax revenues. Another factor of fiscal efficiency is obviously the efficiency of tax administration, i.e. the ability of authorized state bodies to realize the existing tax potential [3; 9]. The higher the degree of realization of fiscal potential and the efficiency of tax administration, the higher the overall fiscal efficiency will be. We can distinguish several conceptual approaches applicable to

understand the content of the fiscal efficiency of the tax system [5] or specific tax: fiscal efficiency can be seen as the ability to provide tax receipts in a timely manner and in full, and to create economic effect in part of certain fiscal impact (total tax revenues in budgets of various levels) to influence the emergence of a number of macroeconomic effects, primarily in the fiscal sphere, which correspond to the objectives of the state socio-economic policy, as well as the ability to use the available fiscal potential [9].

It should be understood that the tax administration effectiveness and fiscal efficiency are different concepts. In the first case, we are talking about the efficiency of state bodies, in the second about the internal property of the tax system, which operates in specific socio-political and historical conditions. Based on the processing of published research results, the following interpretation of the fiscal efficiency of the tax system and the specific tax can be proposed. The fiscal efficiency of the tax system is its ability to generate economic effects, which are to ensure the proper and timely receipt of tax payments at an acceptable cost to maintain the administration process. The fiscal efficiency of a tax is the ratio of the absolute amount of tax to the absolute amount of expenditure on its administration during the same period. Fiscal efficiency has a direct dependence on fiscal performance (revenue) and the reverse-on the cost of administration (administrative costs) [9].

Administration costs are material costs incurred by authorized state bodies in the field of tax administration in order to perform their functions. These expenses include all types of expenses [2. C. 64] on the realization and implementation of certain operations within compliance of tax laws, including: wages of workers of tax and other authorized bodies, statutory charges on her utility bills for the maintenance of buildings, purchase of equipment and consumables for the tax and other authorized bodies, the costs of business trips, organization of monitoring, analytic and research on tax issues, training [9; 10].

The tax system fiscal efficiency (FE) or a specific tax can be quantified as the ratio of the absolute taxpayer's contributive capacity to the tax administration costs (administration of a specific tax) [9]:

$$FE = TCC / AC,$$

where TCC - the amount of tax revenues (fiscal efficiency); AC - the cost of administration (in the whole system or individual tax).

The indicator of fiscal efficiency shows how much fiscal revenue (as a whole or as a separate tax) the state receives from the unit of spent monetary resources. It is clear that different taxes will have different fiscal efficiency, because they have different fiscal potential, and can not be comparable in terms of spending on current administration. High fiscal efficiency will have taxes that have a high fiscal potential, but which can be administered on the basis of the use of automated technologies (for example, value added tax, excise taxes, land and transport taxes) [9].

It should be noted that in different periods of time, the fiscal efficiency of the tax system or individual tax may

fluctuate depending on changes in macroeconomic conditions. For example, during periods of acute economic crisis, as a result of falling taxpayer revenues due to a decrease in aggregate demand, there is a tangible decrease in tax revenues, but the costs of administration remain, as a rule, at the same level. As a result, fiscal efficiency shows a downward trend. In such periods, it is possible to assess the level of fiscal efficiency of the tax system [5] by the method of comparative analysis, which allows to compare the dynamics of tax revenues of different countries with similar macroeconomic conditions or the dynamics of individual tax revenues within the tax system of the country.

At the same time, it is necessary to understand that absolute indicators calculated without taking into account the real processes of development of a certain economic system in a specific historical period will not have sufficient analytical content [9], including because the state, in some cases, makes decisions that clearly lead to a decrease in fiscal efficiency. For example, the introduction of tax incentives leads to a decrease in tax revenues, which leads to a decrease in fiscal efficiency. But this does not mean that the efficiency of the tax administration system decreases at the same time [5]. Therefore, the opinion that fiscal efficiency is a universal measuring instrument of tax administration efficiency, taking into account the proposed considerations, is not true. At the same time, the generalizations made allow us to formulate the following approach to support the appropriate level of efficiency of tax administration [9]:

- administrative costs of tax collection should be as low as possible;
- the construction of the tax system, as well as the mechanism of tax administration should be consistent with the General ideology of social and economic policy of the state;
- the tax system should be as fair and efficient as possible at the same time, in particular the tax regime should ensure a reasonable redistribution of income.

Comprehensive implementation of tax administration aims to build an effective system of economic relations between taxpayers and the government. This makes it possible to form a holistic, fair and cost-effective tax system, which will be an additional factor in improving the competitiveness of the national economy and the life of the country's population [1. p. 93; 9].

In some sources mentioned such direction of tax administration as organization of tax relations. This refers to the General principles of the organization of the tax service, which will be the basis for the implementation of tax relations at the micro level and the relationship between the company and the fiscal authorities [9]. This position is debatable, since the model organization of tax relations is not only based on the functioning of the tax administration, but also taking into account historical features of the development of society and the state, the mentality of the population, the state of public finances, the degree of citizens' satisfaction with the socio-economic policy of the state, trust in the government. In addition, participants in tax relations are at least two parties-the state and the

taxpayer, so you can not investigate the degree of organization of tax administration on the basis of an assessment of the actions of only one of the parties.

Measurable comprehension of tax administration effectiveness in whole, taking into account the different economic burden of its results, can be determined through the ability to create economic effects that are desirable for society. These effects can be expressed through indicators that are not comparable but that have quantitative or qualitative expression. Therefore, in order to assess the effectiveness of tax administration, it is necessary to take into account various indicators in content, bring them to comparison and calculate the corresponding integral indicator. This requires the development of a methodology for a comprehensive assessment of the effectiveness of tax administration, taking into account the above scientific and methodological provisions [9].

The system performance measure is determined by the level of its influence on the solution of socio-economic problems, taking into account the system of interests of all economic entities [12]. In a transitional economy, the main criterion for the effectiveness of the tax system is its ability to stimulate the development of the production sector as the basic basis of the entire economy. The effectiveness of the tax system should be assessed from the standpoint of compliance with its principles and functions of taxation. The starting point is a combination of tax functions that stimulates the dynamic development of the economy at all levels, creating conditions for the transition to sustainable economic growth [7]. Of particular importance is the complex implementation of the functions of taxation in order to use the integration effect of their action. The tax system, along with the formation of sufficient centralized funds of financial resources, should create conditions for stimulating economic development, forming motives and incentives for economic growth.

The effectiveness of the tax system should be considered in two aspects [7].

First, it is necessary to allocate the current (tactical) efficiency, which reflects the interdependence of the costs incurred and the effect received by the company. This performance indicator can be defined as the ratio of the received amounts of taxes with the costs of their collection. The disadvantage of this approach is that it does not take into account the long-term economic and social consequences of taxation.

Secondly, it is necessary to allocate perspective (strategic) efficiency which expresses the national economic approach based on the account of integral influence of system of the taxation on economic development. This is what characterizes the ability of the tax system to stimulate the solution of tasks for the development of the economy not only in the near future, but also in the future [7]. Obviously, reasonable and justified tax cuts leads to an increase in the real purchasing power of the population and its expenditure for the purchase of goods and services, to increase the income of entrepreneurs, growth of investments and demand for goods (works, services), which contributes to

an increase in gross domestic product, ultimately leading to increased tax revenues [7].

The tax systems functioning in countries with efficient market economies shows that their development has a common algorithm and is aimed at rationalization (optimization) of tax purposes, the dynamism of tax systems and their change in accordance with the conditions of the economy. Such systems provide growth of direct and inverse interrelations of tax systems, increase efficiency of productions, promote the correct combination of tactical and strategic purposes of development of tax systems, optimization of a ratio of interests of participants of market relations. The level of taxation also guarantees a more complete accounting of the volume of consumption of public services provided by the state to various taxpayers, the level of profitability and solvency of subjects of tax relations. It is these aspects that largely determine the qualitative characteristics of the tax system and its potential, which is measured not so much by the amount of tax revenues as by the stimulating effect of the tax system on the development of the national economy [7].

The main direction of development of the tax system of the Republic of Kazakhstan is its transformation into a comprehensive mechanism for the formation of an effective market economy capable of solving the whole complex of both current and future socio-economic problems. The transition of the modern economy of Kazakhstan to an innovative way of development requires increasing the efficiency of the state apparatus, state institutions and organizations. The problem of increasing the efficiency of the functioning of tax authorities is quite acute, since they play a leading role in the formation of the country's budget, and also require very significant public expenditures to ensure their activities [4].

Currently, Kazakhstan's administrative management in the field of taxes can not be called perfect [1. Pp. 93]. Such goals and objectives of the tax policy of the state as equalization of tax conditions, reduction of the overall tax burden, simplification of the tax system, elimination of contradictions of tax legislation [1. P. 94], are not embodied in reality, which is associated with the adaptation of Western models of tax systems in our country [8]. The formation of tax policy in the field of tax administration must take into account the specific conditions of transformation and development of the domestic economy [4]. The irrational organization of the structure of tax authorities leads to higher costs for their maintenance, requires significant efforts in terms of coordination of their work, reduces the potential of tax authorities. This reduces the effectiveness of DSR and, therefore, the effectiveness of tax administration in General, as the maximization of profit of the state is due to the increase of budget revenues (generated mostly by tax revenue) while reducing budget expenditures that are directly related to the effective organization of work of tax authorities [4].

Accordingly, the identification of reserves to reduce administrative costs by optimizing the structural organization of tax authorities will improve the conditions for the implementation by taxpayers of their

obligations to pay taxes on a voluntary basis, create uniform organizational conditions for their implementation, improve the efficiency of tax control, the main principle of which is compliance with the criterion of economic feasibility, compliance with the objectives of control and the funds spent on its implementation. Determining the complexity of tax control operations, forming a list of the most labor-intensive ones will allow to organize control procedures qualitatively and with minimal costs, to maximize the efficiency of tax audits and thus reduce the cost of tax administration [4]. The practical experience of developed countries shows that the effectiveness of control activities of tax authorities is manifested in the formation of a quality system of selection of taxpayers for control measures. It allows to choose the best directions of use of resource potential [3], both territories, and tax authorities; increases not only the effectiveness of tax audits in terms of minimizing costs and funds, but also the effectiveness of forms, methods of tax audits, indicators of evaluation of the DGS for optimal load distribution when planning control work. Much attention should be paid to the use of information technologies in the preliminary analysis of the financial condition of taxpayers, the development of automated systems that provide information about taxpayers at the request of authorized organizations and control the payment of individual taxes [4]. Also, the current state of the tax system is characterized by: an increase in the number of objects and subjects of taxation; high dynamics of changes in tax legislation; insufficient law-abiding of many organizations (to pay taxes has not yet become a civil obligation of the taxpayer); gradual accumulation of

practical experience of tax control. And one of the tax administration functions is to verify the correctness and completeness of the calculation and payment of taxes in accordance with the current tax legislation at the time of calculation of taxes..

Therefore, the methodology proposed in this article is based on the use of qualitative and quantitative indicators of the overall assessment of the effectiveness of control work, organization and conduct of Desk and field tax audits, work with organizations and entrepreneurs who do not submit reports to the tax authorities; control work on the use of cash registers (cash registers) in the implementation of settlements with the population. Its main advantages: efficiency and simplicity of calculations, the use of materials of internal tax reporting, comparability of results, visibility, independence of the used indicators and calculation coefficients, inertia - with stable work of the Committee / Department, the indicators should not change significantly (episodic successes and failures, although they affect the value of the evaluation indicators, but should not radically change the final performance indicator). The technology within the framework of the proposed method of assessing the effectiveness of tax control consists of the following stages: 1. Annual assessment of the effectiveness of tax control of the SRC. 2. The definition of parliamentary friendship group with the best performance of the audit work. 3. Study of the methods by which this DHD has been able to achieve such results. 4. Development of plans to improve the effectiveness of each DGD. 5. Realization of plans.

Table 1 - System of criteria and indicators for assessing the effectiveness of tax administration

Appraisal criteria		
Performance criterion	Effectiveness criterion	Intensiveness criterion
appraisal ratio		
1) Dynamics of the amounts of additionally accrued taxes and fees to the consolidated budget based on the results of on-site and desk audit. 2) the Proportion of effective on-site inspections. 3) Dynamics of the number of legal entities that do not provide reporting or submit "zero" reporting. 4) Dynamics of the number of individual entrepreneurs who do not submit reports or submit "zero" reports. 5) Dynamics of number of checks of the organizations and individual entrepreneurs concerning observance of the legislation on application of KKM at implementation of monetary calculations with the populati.on	1) Dynamics of amounts of additionally collected tax payments based on the results of control work. 2) Dynamics of the amounts of additionally collected tax payments on desk audit. 3) The ratio of additionally collected tax payments on desk audit from the total amount of additionally collected tax payments on field and Desk inspections. 4) Dynamics of the amounts of additionally collected payments based on the results of on-site inspections. 5) Dynamics of the sums of the collected penalties by results of checks on observance of the legislation on application of KKM at implementation of monetary calculations with the population. 6) the ratio of additionally accrued amounts based on the results of on-site inspections, reduced by decisions of judicial and higher authorities, in the total amount of additional payments.	1) The ratio of desk audit in the process of which additional documents, explanations and information are used from their total number. 2) the Proportion of on-site inspections, during which the inventory of property, inspection of production, warehouse, retail premises and territories, attracted experts and specialists, questioned witnesses.

Taking into account the specifics of the tax authorities as a state institution, it is necessary to identify a number of factors affecting various activities to identify the

strengths and weaknesses of tax control. For these purposes, SWOT analysis was used, the results of which are presented in table 2.

Table 2 - Matrix of tax control weaknesses and strengths in Kazakhstan

Strength	Weaknesses
Growth of budget revenues. Availability to the public and the media of information about the decisions taken in the tax sphere. Conditions for interaction with internal and external partners. Reduction of bureaucratic barriers through simplification of administrative procedures. Availability of officials only with higher education. Highly qualified specialist. Active information and explanatory interaction with taxpayers and their tax agents. Sufficiently developed system of training of management personnel. Pre-trial audit.	High level of tax debt. Unstable tax legislation, creating excessive difficulties for taxpayers and tax authorities. Poor quality of internal audit. Insufficient financial and material resources that create an environment for the development of corruption. Focusing on the use of coercive measures instead of promoting voluntary compliance with tax laws. Low level of tax literacy of the population. Difficulties in carrying out search operations (weak interaction with the Ministry of internal Affairs). Low level of pre-test analysis. Admission of significant violations of the procedure for consideration of tax audit materials.
Opportunities; threats	Threats
As can be seen, when organizing and implementing tax control, it is necessary to use the strengths of tax administrations and take into account the opportunities and threats to avoid serious consequences for the budget of the region and reduce the responsibility and discipline of taxpayers in the economic downturn, which results in an increase in the scale of tax evasion.	The illegal sector of the economy is the main reason for non-compliance with tax legislation on a voluntary basis. The rise of complex tax avoidance schemes. Low level of loyal attitude of society to tax services. Problems related to financing. High turnover of qualified and experienced staff.

Conclusions

The result of the study is to expand the possibility of applying SWOT analysis to assess the quality of tax administration in the region, taking into account local specifics, as well as to identify the main problematic aspects of tax control in the territory of the region. It can also be noted that the development of practical

recommendations to prevent the use of tax evasion schemes by economic entities will increase the filling of budget revenues in the region, thereby reducing dependence on transfers from the state budget, eliminate unequal competitive conditions, strengthen tax discipline and improve the quality of services for taxpayers.

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