



PROSPECTS FOR IMPROVING TAX CONTROL IN UZBEKISTAN

Maxmatraemov Bakhrom Omonovich

Independent researcher at the Center for Professional Development

under the State Tax Committee of the Republic of Uzbekistan

jasurbek156@gmail.com

Abstract

The article considers the concept of tax control, reveals its main forms and methods. The characteristics of cameral and field tax audits are given. The assessment of the main indicators of the control work is analyzed. Based on the analysis, problems are identified in the inspection work. An assessment of the effectiveness of the tax authority is done. The high role of taxes in the process of generating state budget revenues is emphasized, which indicates the relevance of the issues of effective organization of tax control. The author disclosed the concept of tax control, its specific features, and also expressed a critical point of view on the current trend in determining the subject of tax control.

Keywords: Tax administration, tax control, principles of tax control, tax audit, tax monitoring, transfer pricing, efficiency of tax control

INTRODUCTION

The implementation of the tasks of state regulation of the economy as an objective necessity largely depends on budgetary opportunities for financing socio-economic projects, as well as on the active use by the state of instruments to influence the interests of economic entities. The most important role is played by taxes. The unprecedented volumes of information flows, the development of technologies for analytical processing of big data expand the possibilities of tax administration to provide revenues to the budgets of the budget system, including through the identification of tax violations and the impact on the behavior of participants in tax relations. At the same time, changes in the conditions of economic activity in the national and international



aspects, digital technologies also create additional tax risks for the state and taxpayers, as well as make it necessary to build fundamentally new relations in the tax sphere.

All this brings relevance to the content of traditional categories and definitions in science, in particular, the control function, tax control, which determines the importance of developing theoretical approaches to the interpretation of these concepts and their characteristics. Conceptually new approaches to the organization and methodological support of tax control are actively being formed under the conditions of the mutual influence of the behavior of participants in tax relations.

The development of theoretical provisions and the analytical generalization of the practice of applying new tax control tools create the basis for the scientific substantiation of a set of measures aimed at increasing the effectiveness of tax control with the active implementation of information technologies in the activities of tax authorities and taxpayers, as well as the implementation of new trends in the interaction of tax entities using risk-based approach in tax control of authorized state bodies and tax risk management by taxpayers.

Thus, the relevance of the topic of the article is due to the need to deepen the theoretical study of the content and organization of tax control, a predetermined modification of relations between tax authorities and taxpayers in the conditions of transparency of the information field and big data processing technologies, the complexity of business transactions and international relations, as well as the importance of improving the mechanism for implementing a new trajectories of the development of the versatility of tax control.

The essence of tax control, as a component of financial control, is a combination of actions and operations to verify financial, tax and related issues of the activities of business entities using specific forms and methods of its organization and conduct, and mainly due to mobilization to the state budget taxes and other obligatory payments, thus realizing the main function of taxes – fiscal [11].

Tax control covers all sectors of the company's business activity by checking the correctness of the calculation of legislatively established taxes and the preparation of tax returns, as well as by providing tax incentives to business entities and individuals. Consequently, the object of tax control is not only the tax sphere, but all the financial and economic activities of business entities and citizens related to the calculation and payment of taxes and other payments to the budget. State tax control is the realization of the state's right to protect financial interests in terms of generating revenue from the state budget and budgets of state extra-budgetary funds, as well as financial interests of business entities through tax regulation through a system of legislative and administrative law enforcement measures.

Control over the collection of taxes implies a comprehensive accounting of taxpayers, objects of taxation, tracking the results of financial and economic activities, business operations. Without relevant information about business entities and citizens, the state will not receive the expected revenue to the budget [9]. The condition for tax control is information, and tax control entities are called upon to play an active role in the creation and continuous improvement of the information system. The current practice of the tax authorities confirms the need for priority development of a comprehensive information system in tax control.

The concept of improving tax policy in 2018 in order to reduce the tax burden in Uzbekistan and simplify the system, improve tax administration Strategy for reforming the tax administration of the Republic of Uzbekistan in 2019; In 2020, after discussions among the general public, the current Tax Code was adopted in a new edition [1,2,3].

In order to reduce the tax burden and simplify the system in Uzbekistan, improve the tax administration, the concept of improving tax policy in 2018, the strategy of reforming the tax administration of the Republic of Uzbekistan in 2019, the current Tax Code in 2020 were adopted in public.

In accordance with the new Tax Code of the Republic of Uzbekistan, a number of important changes have been introduced in the field of taxation, determination of the tax base and control over the activities of taxpayers. Forms of tax control have been simplified and reduced from 13 to 2. In particular, tax control will be carried out in the form of tax audits and tax monitoring. Also, tax control was applied in setting transfer prices.

LITERATURE REVIEW

In modern scientific literature, the analysis of individual problems of tax control has been the subject of research by such specialists in the field of taxes and taxation as Bryzgalin A.V., Galiev T.A., Goncharenko L.I., Karp M.V., Kashin V.A., Krasnitsky V.A., Nesterov G.G., Poponov N.A. Chernik D.G. etc. Issues related to the tax aspects of transfer pricing were addressed by such specialists in the field of economics and tax law as Buzdalina OB, Velichko L.A., Geluta I.F., Nepesov N.A. etc. It is necessary to emphasize that in recent years the scientific interest in the problems of tax control of transfer pricing has noticeably increased, a large number of scientific publications on this topic have appeared. The problems of using transfer pricing in order to minimize the tax burden are devoted to articles by Artemyeva A.A., Burtseva A.M., Gracheva A.V., Luchkova N.A., Melnikova N. P., Pavlova L.P., Panskova V.G., Smirnova E.E., Scherbakova V.V., Yurmasheva R.S. et al. Studies of these authors are distinguished by a high professional level. However, it should be noted that each scientific work of specialists is devoted to a specific problem and only partially affects certain issues of tax

control of transfer pricing. A comprehensive study of the theoretical and practical problems of tax control of transfer pricing has not yet been carried out.

The relevance and insufficient theoretical and practical study of the issues of tax control over transfer pricing in Uzbekistan have determined the choice of the purpose and objectives of the study.

TAX AUDITS

The types of tax audits have been clearly defined, and in-house tax audits, mobile tax audits, and tax audits have been introduced. Tax inspections will be carried out by the competent authorities in order to monitor the compliance of taxpayers and tax agents with the tax legislation [3].

In-house tax audit is carried out remotely by the tax authority on the basis of analysis of the tax or financial report submitted by the taxpayer (tax agent), as well as other documents and information available to the tax authority on the activities of the taxpayer. The in-house tax audit is carried out within five years after the end of the tax period in which the tax liability is determined, or in respect of tax periods that have not expired within five years from the date of the action, unless otherwise provided by the Tax Code. An order of the head (or deputy head) of the tax authority is required to conduct an in-house tax audit.

The in-house tax audit is conducted on the basis of comparison and analysis of the following:

- internal sources (taxpayer reports);
- data from external sources (data of customs authorities, banks, energy companies, cadastre and other bodies);
- information of the analysis program.

As a result of the in-house inspection, the taxpayer must make corrections to the tax return or indicate the reasons given. At the same time, as part of the in-house tax audit, the official of the tax authority was authorized to request from the taxpayer (tax agent, third party) accounting documents, tax returns and explanations on accounting documents.

Financial sanctions are not applied based on the results of the in-house tax audit, but are a premium (penalty) for non-transfer of taxes and payments to the budget in a timely manner.

The advantages of introducing in-house tax audits are, first of all, rapid control over the correct calculation and timely payment of tax payments to the budget by comparing existing reports with the tax authorities and external sources without interfering in the financial and economic activities of taxpayers [14]. In particular, it will allow for rapid control over the fight against the shadow economy and the reduction of extra-bank turnover.

In addition, as a result of in-house control over the activities of taxpayers, errors and omissions in the field of taxation are prevented, and the risk of future financial penalties is reduced. A mobile tax audit consists of verifying the fulfillment of certain obligations of taxpayers in the field of calculation and payment of taxes and fees, as well as other obligations established by the tax legislation.

In this process, tax officials in accordance with the requirements of the established regulations, inspect taxpayers and monitor the number of employees in legal entities, inspect the activities of markets, shopping malls and adjacent parking lots, carry out certain activities. to check the availability of licenses or permits, as well as to check the legality of the remains of inventory and their transportation by motor vehicles and other activities.

During the mobile tax audit, analytical control is carried out on accounting documents, inventory and cash flows, as well as other information related to the activities of the taxpayer [8]. A mobile tax audit shall be conducted within a period not exceeding ten days. Taxes and fees are not calculated by the tax authorities based on the results of the mobile tax audit.

When there is a need to obtain and (or) study additional information and documents from taxpayers during the tax audit and in-house tax audit;

receipt of appeals from individuals and legal entities on violations of tax legislation in the activities of taxpayers;

in the presence of reliable information on irregularities in the activities of taxpayers or certain categories of them can be carried out in the following areas:

timekeeping of receipts from the sale of goods (works and services) in the field of retail trade, catering and services and production;

compliance with the rules of use of cash registers and payment terminals;

monitoring of the number of employees in business entities;

activities of markets, shopping malls and adjacent temporary storage facilities for vehicles;

availability of licenses or permits for certain types of activities and compliance with the type of activity;

complete and high-quality storage and marking of inventory;

compliance of manufactured products with the established standards and certificates;

consumption of raw materials for manufactured products and work performed, services;

legality of economic and financial relations between business entities;

control over the delivery of goods by vehicles.

According to the results of the mobile tax audit, taxes and levies are not calculated by the tax authorities.

A tax audit is the study and comparison of a taxpayer's accounting, financial, statistical, banking and other documents in order to ensure the correct calculation and payment of taxes and fees for a certain period and to monitor compliance with tax legislation. A tax audit is conducted in respect of a taxpayer (tax agent) belonging to the high risk category of taxpayers (tax agents). In this context, high-risk taxpayers are those taxpayers who have the highest score on the list formed by an automated software product based on the risk criteria for possible non-compliance with tax legislation.

A tax audit of a taxpayer's financial and economic activities within the framework of a criminal case or on the basis of relevant court rulings shall be conducted in accordance with the requirements of the Criminal Procedure Code of the Republic of Uzbekistan. In this process, the measures taken within the competence of the tax authorities based on the results of the tax audit shall be applied on the basis of the Tax Code of the Republic of Uzbekistan and other normative legal acts.

A tax audit is conducted on the basis of a notification of the registration body on the activities of taxpayers who are voluntarily liquidated. Officials conducting a tax audit may, within the scope of their authority:

organization of inventory of property in accordance with the rules of accounting;

require taxpayers to provide the documents and information required for the calculation and payment of taxes, including in electronic form;

in cases stipulated by the legislation to seal the cash desk and places of storage of inventory and documents for a period not exceeding two days, and for more than two days on the basis of a court decision;

conducting interviews and explanatory work with the head and founders of the taxpayer for tax purposes;

request for translation of documents into the state language;

organization of mobile tax audit in the prescribed manner, if necessary.

Officials of the body conducting the tax audit may inspect the areas belonging to the taxpayer, production facilities, warehouses, trade and other buildings, including facilities used for income or related to the storage of taxable items.

During the scan, in accordance with the established procedure, may take photos and videos, take copies of documents or perform other actions related to the scan. A report on the actions taken shall be drawn up in the prescribed manner.

If necessary, a specialist with special knowledge and skills who is not interested in the outcome of the work may be involved by the tax authority to participate in the activities related to the implementation of tax control.

The official of the tax authority conducting the audit shall have the right to request these documents (information) from the contractor or other persons who have documents (information) related to the activities of the audited taxpayer.

The tax audit may not last more than thirty days. Unless otherwise provided by the Tax Code, the period for conducting a tax audit may be extended up to two months, and in some cases up to three months.

The tax authorities are not entitled to conduct a tax audit of the taxpayer more than once on the same taxes for the same period. Except for the detection of new circumstances that are not known to the tax authority during the tax audit. When new circumstances are identified, the tax authority has the right to appoint a repeat tax audit.

Based on the results of the tax audit, a tax audit report must be drawn up by the authorized officials of the tax authorities who conducted the audit.

Ten days after the date of drawing up this tax audit report by the head (deputy head) of the tax authority that inspected the tax audit report and (or) mobile tax audit materials, which revealed violations of tax legislation during the tax audit and mobile tax audit, but to be considered no later than fifteen days. A decision on them must be made no later than five days after consideration of the materials of the tax audit.

If the inspected person (his representative) has submitted written objections to the act of tax audit and (or) materials of the mobile tax audit within ten days, these objections shall also be considered. The main factor in the selection of business entities for tax audits is the assessment indicators determined on the basis of the Risk Analysis System.

The Business Intelligence system was introduced to increase the efficiency of tax audits, prevent unwarranted interference in the activities of business entities, create favorable conditions for the fulfillment of tax obligations and improve methods of non-human control, through which the taxpayer's risk indicators calculated on the basis of segmentation [10]:

compliance with tax legislation;

analysis of objective and subjective causes of deficiencies identified as a result of previous inspections;

analysis of financial statements submitted by the taxpayer;

data from third parties are compared and the level of risk is assessed.

According to the assessment, taxpayers who conscientiously fulfill their tax obligations - green, taxpayers whose level of violation of tax legislation is recognized as moderate - are divided into yellow, taxpayers who evade taxes or use aggressive tax reduction schemes.

Table 1 Assessment indicators and measures to be taken as a result of the assessment

№	An evaluation indicator given as a result of an evaluation	Symbols for evaluation	To be applied measures
1.	Taxpayers who conscientiously fulfill their tax obligations	green	The quality of services provided will be further improved, proposals will be developed to create favorable conditions for the fulfillment of tax obligations
2.	Taxpayers whose level of violation of tax legislation is recognized as moderate	yellow	Control and analysis work will be strengthened, in-house and mobile tax inspections will be conducted, and opportunities for timely correction of mistakes will be provided.
3.	Taxpayers who evade paying taxes or use aggressive tax reduction schemes	red	Additional taxes, as well as the application of administrative and financial sanctions, a full set of control measures and tax audit measures will be applied.

When examining the types of tax audits and the process of conducting them, it is clear that their priorities are to prevent tax violations, encourage taxpayers to voluntarily fulfill their tax obligations and encourage them to refrain from applying illegal tax rules.

Measures are being taken to reduce government interference in the activities of business entities by directing control measures to high-risk areas and minimizing the administrative burden on disciplined taxpayers.

As a result of the development of a market economy, the granting of economic freedoms to businesses, the support of disciplined taxpayers, the legal culture of business is being formed.

According to the legislation of the Republic of Uzbekistan, the specifics of state control through tax audits are regulated by tax legislation [4]. That is, according to the current tax legislation, the activities of a single legal entity or individual who is a taxpayer are controlled as an object of inspection [3]. When the offenses are committed by several legal entities established by one owner, only the activities of the legal entity under tax control are covered, or the opportunity to quickly and effectively detect tax offenses committed by other legal entities with the same owner may be lost.

TAX MONITORING

The relevant decree of the President of the Republic of Uzbekistan states that the existing tax system has shortcomings, complexity, taxation objects and mechanisms of accounting for the tax base do not meet today's requirements. Introduce a modern form of tax control - tax monitoring, which provides for increased information exchange between tax authorities and honest taxpayers. the need is indicated [2].

So what is tax monitoring? Tax monitoring is the observance of tax legislation by a tax legal entity through continuous monitoring, comparison and analysis of the taxpayer's tax, accounting, financial and statistical reports with accounts, bank and other documents in real time. in order to verify the accuracy of the calculation of fees, full and timely payment [12].

Tax monitoring is carried out on a voluntary basis against legal entities whose income for the previous year, according to the annual financial statements, amounted to ten billion soums.

The calendar year following the year in which the legal entity submits an application for tax monitoring to the tax authority is the period of tax monitoring.

The taxpayer shall submit an application for such monitoring to the tax authority of the place of registration of the legal entity, through the personal account of the taxpayer, for the year preceding the period of tax reporting.

Presented no later than July 1st. A legal entity that has submitted an application for tax monitoring may recall it on the basis of a written application for revocation by the tax authority until a decision is made to conduct or refuse to conduct tax monitoring. The following shall be submitted together with the application for tax monitoring:

- 1) regulations on cooperation in the form of information;
- 2) information on individuals and legal entities that directly and (or) indirectly participate in the legal entity that has submitted an application for tax monitoring, and the share of such participation is 25 percent;
- 3) the current accounting policy for tax purposes.

Cooperation on information between the legal entity participating in tax monitoring and the tax authority is carried out in accordance with the regulations.

The procedure for submitting documents (information) in electronic form to the tax authority and (or) access to the information systems of the legal entity, which contain the specified documents (information), which serve as a basis for the calculation and payment (withholding and transfer) of taxes and fees in the Regulations on cooperation in information The order is displayed.

The legal entity has the right to independently choose the order of cooperation in the field of information.

Regulations on cooperation of the legal entity on information: the order of reflection of income and expenses, objects of taxation in the accounting (tax) accounting registers; information on analytical registers of tax accounting; information on the system of internal control over the correct calculation (withholding), full and timely payment (transfer) of taxes and fees.

Information on the internal control system shall be provided if such a system exists. The form of regulations on cooperation in information and requirements to it are approved by the State Tax Committee of the Republic of Uzbekistan. Tax monitoring may be terminated prematurely. The legal entity shall be notified in writing of the early termination of the tax monitoring within ten days from the date of non-fulfillment by the taxpayer, but not later than June 1 of the year following the period of the tax monitoring.

Tax monitoring is carried out by continuous monitoring, comparison and analysis of tax, accounting, financial and statistical reports and other documents of the taxpayer in real time. If tax monitoring is conducted during the reporting period, no tax audits will be conducted for that period.

REGULATION OF TRANSFER PRICES

There are no universal international instruments regulating transfer prices, but the Organization for Economic Co-operation and Development (OECD) has developed a Transfer Price Guide (OECD) for transnational enterprises and tax authorities, which was approved on 22 July 2010.[6] It is a recommendation document, the provisions of which are reflected in the national legislation of various countries, including non-OIC member states.

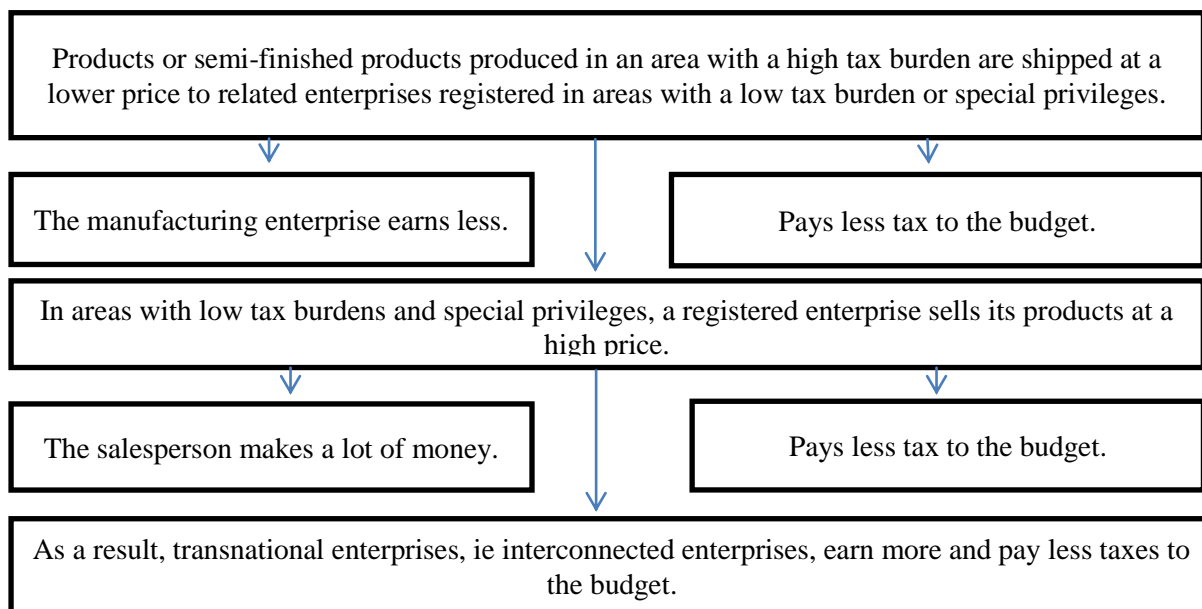


Figure 1. Regulation of transfer prices

According to the 2010 amendments to the old Tax Code of the Republic of Uzbekistan, the tax authorities were required to exercise tax control over transactions between related companies. [7] However, due to the lack of a clear procedure and methods for determining the real market value of goods (works and services), their comparison with the price specified in the agreement, there were constant disagreements between taxpayers and tax authorities on the results of tax control.

The main reason for the introduction of transfer pricing is to minimize taxation within the corporation and increase the net profit at its disposal by accumulating profits in commercial enterprises located in areas with low tax burden or preferential taxation.

Although the tax burden is low and producers of finished goods are given special benefits, restrictions on the free exchange of currency, the withdrawal of cash from a banking institution and the withdrawal of accrued dividends from the country also force entrepreneurs to apply transfer prices.

The new version of the Tax Code sets out general rules for determining the transfer price. According to these rules:

Transfer pricing is defined as a price that differs from a fairly priced price that is formed in transactions between related parties and (or) can be used in comparable economic conditions when making transactions between independent persons.

Transfer pricing is defined as the commercial and (or) financial conditions and (or) results of the activities of related parties that differ from the conditions and results that can be obtained by independent individuals in comparable economic conditions.

In determining the transfer price, the State Tax Committee of the Republic of Uzbekistan will exercise tax control over income tax, personal income tax, subsoil use tax, value added tax and excise taxes within its competence and in the current order.

The operations controlled by tax control in determining transfer prices are divided into two groups:

First, controlled transactions between related parties.

Second, controlled foreign trade transactions.

Transfer pricing is subject to tax control through the following methods:

- 1) method of comparable market prices;
- 2) method of subsequent sale price;
- 3) cost method;
- 4) method of comparable profitability;
- 5) method of profit distribution.

The method of comparable market prices controls the compliance of the prices of goods (services) in the controlled transaction with market prices. The subsequent sale price method involves determining whether the price of a controlled transaction corresponds to market prices based on a comparison of the gross profit obtained by the party to the controlled transaction in the subsequent sale (resale) of the goods received in that controlled transaction (group of similar transactions).

The use of the subsequent sale price method takes precedence over other methods to determine whether prices are in line with market prices, according to which goods are acquired under a controlled transaction and resold without processing under a transaction in which the parties are independent parties. This method is used if the reseller does not own the intangible assets that would have a significant effect on its gross profitability.

The cost method involves determining whether the price of the controlled transaction corresponds to market prices. This method is based on comparing the gross profitability of the costs of a party to a controlled transaction (a group of transactions of the same type) with the market interval of the gross profitability of transactions in comparable transactions.

The method of comparable profitability involves comparing the operating profitability of a party to a controlled transaction with the market range of operating profitability in comparable transactions determined in the prescribed manner.

The method of comparable profitability can be used, especially when information is available or insufficient. Based on this information, it is possible to draw a reasonable conclusion that the commercial and (or) financial terms of the transactions being compared have the required level of comparison.

The profit-sharing method is to compare the actual distribution of the total profit received by all parties to the controlled transaction between the parties to the transaction.

Based on a study of the theoretical and practical aspects of tax control of transfer pricing, the author developed a methodology for applying the costly method of tax control, identifies its stages, on the basis of which the tax authorities can verify that the prices used by interdependent parties correspond to the market level. The study provides a methodology for applying the costly method of tax control of transfer pricing on the example of a company engaged in the production of steel, cast iron and rolled metal. The methodology allows for the stage-by-stage selection of comparable companies on the basis of available information on the activities of companies to determine the interval of market prices and then verify compliance with the application of prices of the audited company.

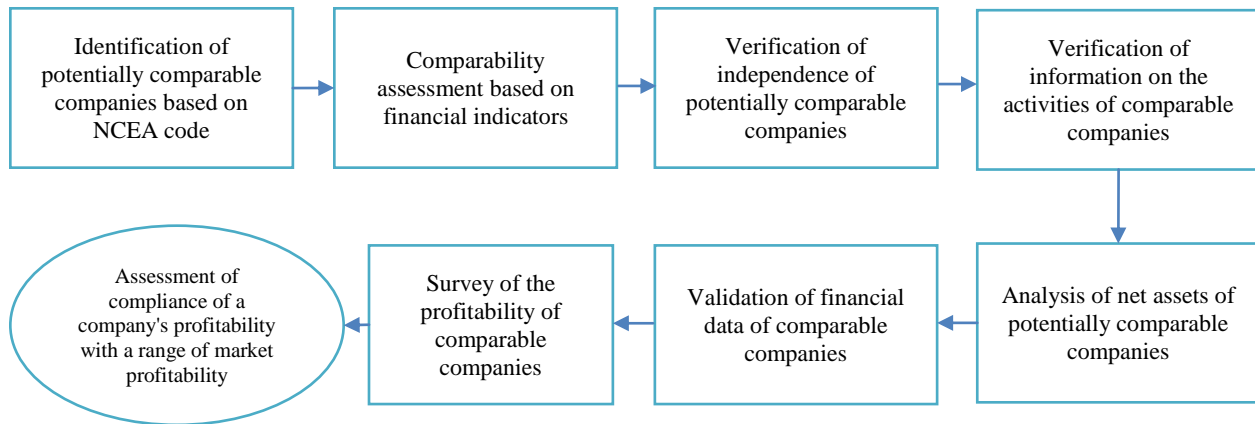


Figure 2. The scheme for applying the cost-effective method of tax control over transfer pricing

When exercising tax control over transfer pricing, it is necessary to take into account the comparability of the selected companies to verify that the prices applied by the taxpayer correspond to the market level, the financial indicators of these companies, as well as the completeness and reliability of the information used. The developed methodology allows us to identify and select companies for the subsequent detailed analysis of their activities in order to provide a more accurate assessment of the comparability of these companies and further study of profitability for tax control of applied transfer prices for the purposes of calculating and paying taxes.

The main provisions of the methodology for the application of the costly method of tax control provide the following sequence of actions:

- 1) At the first stage, potentially comparable Russian companies are identified using an information database using a criterion such as the National Classifier of Economic Activities (NCEA) code, under which potentially comparable companies registered their main activity. If it is not possible to establish a detailed NCEA code, the tax authorities need to select a code that would allow a wider selection of companies to be excluded from which disparate companies can be eliminated as necessary, which allows for a multi-stage methodology.
- 2) The exclusion from the initial sample of companies that are not comparable on the basis of information obtained from various sources. The analysis of companies for comparability is supposed to be carried out on the basis of available financial data and established thresholds for financial indicators. The use of these criteria is necessary in order to make sure that the economic characteristics of the identified companies are sufficiently comparable. At this stage, companies are considered as potentially comparable if the company has data on sales revenue and profit (loss) from sales, otherwise such companies should be excluded from the list of comparable companies.

- 3) This stage involves the verification of selected companies for their independence. A factor such as the existence of interdependent entities among comparable companies significantly affects the prices used for comparison. If it is possible to obtain information about the presence of dependence, it is proposed to exclude company data from the sample.
- 4) During the fourth stage of the audit of the company's activities, it is supposed to conduct a check for compliance with the NCEA code indicated by the companies in the financial statements, the actual activities carried out by these companies. If the tax authorities are unable to find confirmation of compliance of their actual activities with the NCEA code indicated in the financial statements as the main type of activity, it is proposed to exclude these companies from the list of potentially comparable companies.
- 5) An analysis of the net assets of potentially comparable companies to establish the possibility of liquidation of the company in the event that the size of its net assets becomes less than the level defined by law, and, therefore, information on the prices of this company cannot give a correct idea of the market price level. For this reason, such companies are excluded from the sample.
- 6) The next stage of the developed methodology involves checking the reliability of financial information according to the state statistics service.
- 7) The final stage of the developed methodology is the study of the values of cost-effectiveness of comparable companies. To calculate cost-effectiveness, it is proposed to take into account the full cost of production, taking into account commercial and administrative expenses. As part of this stage, the compliance of the transfer prices used by the company with the help of the interquartile range of the weighted average market prices of comparable companies (profitability) is checked, according to which the market price values corresponding to the market level can be selected from the set of prices used in transactions. Thus, it is proposed to exclude random extreme points, which for some reason were taken into account when evaluating this interval.

CONCLUSION

Due to the low quality of the control activities, namely tax audits, the collection of taxes and fees remains at a low level due to the following reasons: low efficiency of the audit work when tax authorities conduct off-site tax audits; the still ongoing evasion of certain categories of taxpayers from paying taxes and fees and the lack of tools that allow tax authorities to take appropriate measures to bring tax-unlawful taxpayers to tax liability; poor organization of interaction between tax authorities and law enforcement agencies; lack of clear algorithms and methods of

control work, in particular, methods of conducting field tax audits for certain taxes and fees; insufficient level of recovery of additional amounts of taxes and fees identified during tax control. It follows from world practice that the results of the activities of the state tax authorities and, accordingly, the size of budget revenues depend on the quality of tax control. If it is ineffective, taxpayers will constantly look for opportunities to evade taxes and fees, which will lead to a decrease in their revenues to the budget, which, in turn, will cause the escalation of social tension in society [13].

In all of the methods discussed above, the comparable market price method is a priority for determining whether the prices of transactions managed for tax purposes are consistent with market prices. If it is not possible to apply the comparable market price method for tax purposes, or if its application does not allow a reasonable conclusion to be drawn as to whether the prices of the controlled transactions are in line with market prices, other methods may be used. This means that the most appropriate method of tax control is the comparable market price method.

If as a result of tax control over the transfer pricing it is found that the amount of tax has been reduced or the amount of damage has been increased, the State Tax Committee of the Republic of Uzbekistan shall make adjustments to the relevant tax base and (or) the amount of tax.

Under the new Tax Code, if the price of a controlled transaction is within the comparable market price, the price is recognized as commensurate with the market price and there are no tax consequences for the party to the transaction. If the price of the managed transaction is lower than the minimum value or higher than the maximum value of the market price range, that price is recognized as inconsistent with market prices and a price equal to the average value of the market price range is accepted for tax purposes.

If it does not lead to a decrease in the amount of tax payable to the budget or an increase in the amount of taxpayer loss, the average value of the market price range can be applied for tax purposes. It should be understood that these methods are not the only standard, they do not allow for a complete determination of the transaction price to be considered as a market.

RECOMMENDATIONS FOR FUTURE RESEARCH

This study examines the role of tax control in ensuring the stability of the state tax system. Tax control plays a key role in the system of state control and represents control over compliance with the legislation on taxes and fees, the correctness of calculation, completeness and timeliness of payment of taxes and other mandatory payments to the budget. Organization of an

effective tax control system is an important factor in the success of economic modernization. Tax control should be considered as an organic component of state financial control, which is an essential element of public finance management and a prerequisite for the successful functioning of the financial system and the country's economy as a whole. The effectiveness of tax control can be ensured by adhering to the basic principles of taxation, as well as by implementing tax policy, taking into account budget priorities and streamlining public spending. This study will play an important role in the implementation of effective tax control, which will ensure the growth of economic growth of the national economy.

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