

**PRIVILEGES FOR INCREASING EXPORT AND IMPORT POTENTIAL IN OUR
COUNTRY**

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Abstract: A number of benefits and preferences are being introduced in our country in matters of export financing, insurance, as well as transportation, a number of measures are being taken aimed at radically reforming the control system related to foreign trade and improving the state of infrastructure. This article describes the incentives provided in our country in a number of areas, such as increasing export potential, financing, insurance. Tax benefits provided by our state and preferences provided to external investors. All this serves to create internationally competitive goods, production, services and their export.

Keywords: value added tax, export potential, tax benefits, preferences, insurance, exporter, business entity

In recent years, in order to increase the export potential of our country, the economic reforms are aimed at improving foreign trade in our republic, removing existing barriers, providing various benefits and creating favorable conditions for participants of foreign economic activity in the implementation of export-import operations, simplification of procedures for foreign economic activity, at the same time, a number of benefits and preferences are being introduced in the issues of export financing, insurance and transport, as well as a number of measures aimed at improving the export potential of our country. On the initiative of our President Sh. M. Mirziyoyev, in accordance with the new development strategy of Uzbekistan for 2022-2026, it was decided to deepen the reform of the tax system and increase tax benefits. Financial and economic processes show that one of the indicators determining the international financial development of the country and its position in the international financial arena is the country's capacity to carry out export-import operations. At present, our country provides manufacturing enterprises with a large number of tax benefits and preferences for foreign investors, and all this directly serves the creation of internationally competitive goods (works, services) and their export. For example, in accordance with the Decree of the President of the Republic of Uzbekistan №-25 of November 20, 2021 "On additional measures for the advanced development of entrepreneurship in the region of the Aral Sea", economic entities exporting more than 90 percent of their produced consumer goods will receive social benefits from the payroll, it will be possible to pay tax to the budget at a rate of 1% instead of 12%. In accordance with the Regulation "On the procedure for refunding the amount of value added tax", approved by the Cabinet of Ministers of the Republic of Uzbekistan on August 14, 2020 № 489, the negative difference of the amount of value added tax with the full submission to the regional tax authorities of documents that are the basis for refunding the amount of tax, a clear example of our opinion is the fact that their bank accounts are fully covered from the budget. According to the results of 2022, 1,249 business entities were placed under the customs procedure of export of goods and processing in the customs territory in connection with the refund of value added tax of 19.3 trillion soums for the last ten months of the current year. A total of 4,630.1 billion soums were returned on 3,936 appeals for refund of negative VAT difference resulting from application of 202363 rate. Due to statistical indicators and effective tax policy, the number of

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VAT payers is growing every year. In accordance with the Decree of the President of the Republic of Uzbekistan "On measures to further expand the export potential of business entities" of September 30, 2022, the Decree of the President of the Republic of Uzbekistan № 228 provides benefits in the form of reducing the taxable base for profit tax and turnover tax for exporting organizations from the sale of goods (works, services) is applied regardless of the share of export volume in total income. In addition, it should be noted that 50 percent of transportation costs are reimbursed by the export development agency to the business entity in cases where the exported goods are delivered by the exporter to the importer by air. In each country it is shown that improvement of tax control in foreign trade operations in accordance with changes in the world market economy is one of the important issues of ensuring foreign trade, stimulation of production of high value-added goods in the country and modern scientists have expressed their opinion in this regard: according to K. Yakhoev, "taxpayers are exempted from taxes, the amount of tax paid by them (tax base) is reduced or the conditions of tax payment are reduced". Also this economist said that instead of the term "tax benefits" the term "tax privileges" reveals the essence of this process. Sh. Gataulin defines tax privileges as follows: "Tax privileges are full or partial exemption from taxes (benefits, deductions, etc.) in accordance with the current legislation". According to T. Malikov, tax benefits imply full or partial reduction of tax liabilities of the taxpayer, deferral or postponement of payment. At taxation of export-import operations there is a need to return (refund) value added tax, the essence of this process is studied in detail by economist S. Kochkalov. The author notes that the institute of VAT refund "Export" has its own features, includes certain functions, takes a place in the system of norms of the institute of refund of overpaid amounts of tax, plays an important role in the sphere of legal regulation of the procedure. to receive amounts of VAT, as the system of compensation is not effective, creates significant distortions for some groups, which increases the costs associated with the implementation of tax legislation. Another economist M. Volodichev noted: "The problem of VAT refund is connected with most of the problems arising in practice, and even with conflict situations, the solution of which is often left to the discretion of the court. The refund of 0% of VAT amounts from the budget by exporting organizations when performing export operations is one of the main problems arising as a result of the imperfection of the existing tax system of any country".

Research methodology. The research work widely uses a number of research methods, such as analysis-synthesis, induction and deduction, logical abstraction, economic mathematics, systematic analysis, statistical analysis. With the help of these methods, the scientific literature on the topic has been critically reviewed and the current regulatory documents have been studied in terms of improving the research work. Results and discussions. In the world practice tax incentives are widely used, and in different countries they have different content. The analysis of tax benefits used in the practice of the tax system of developed countries deserves special attention. Benefits are primarily applied to each main type of tax, and their initial purpose is more clearly expressed in existing taxes. Given that tax incentives are primarily aimed at supporting production and entrepreneurship in general, they are also notable for addressing some social issues. Another type of tax incentives used in the practice of the tax system of foreign countries is full exemption from taxes and establishment of "tax vacations", and this type of incentives is more often used in European countries. For example, in France, companies can organize temporary tax-free funds to encourage new entrepreneurs to invest abroad. In Finland, investment tax breaks are designed to incentivize shipbuilding, one of the leading industries. In Belgium, a 10-year tax vacation is

designed to support small venture capital firms. Over the year, the foreign trade turnover of the Republic of Uzbekistan amounted to \$40.1 billion. In particular, the volume of exports reached \$15.5 billion (+23.8%), and imports - \$24.6 billion (+21.2%). During the reporting period, passive trade worth \$9.1 billion was registered. In the FTT exports reached nearly \$15.5 billion (up 23.8%) and imports reached \$24.6 billion (up 21.2%). During the reporting period, the passive foreign trade balance was recorded at USD -9.1 billion. The highest export volumes were recorded in China (2.2 billion dollars), Russia (2.5 billion dollars), Kazakhstan (1.1 billion dollars), Turkey (1.3 billion dollars). The Republic of South Korea (\$41.6 million) and India (\$29.3 million) had the lowest export volumes. Most goods and services were imported from the Russian Federation (\$4.9 billion), Kazakhstan (\$2.6 billion), and South Korea (\$1.9 billion). The smallest import was from Afghanistan (\$7.3 million). In terms of foreign economic activity, active foreign trade balance was observed in three countries out of the 20 largest partner countries, namely Afghanistan, the Kyrgyz Republic and Tajikistan. Passive foreign trade balance with the remaining 17 countries was maintained, the committee said in its report. Based on the given comparative data, the following features of the definition of tax benefits in the world practice can be emphasized: - non-individual nature of tax benefits; - non-discriminatory nature of tax benefits; - discretionary use of tax benefits; - absence of terms of application of tax benefits. Also these data show that the role of tax incentives becomes essential within the framework of economic reforms carried out in our country, and as a result of tax incentives provided to exporting enterprises, the flow of currency coming into our country for the volume of goods (works, services) that they produce and export is significantly increased. This, undoubtedly, testifies to the fact that Uzbekistan's integration into the international financial system is strengthening and serves as a basis for achieving new economic goals and reaching the level of a financially stable state.

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