

MONEY, FINANCES AND CREDIT

MODERN FEATURES OF VALUE ADDED TAX ADMINISTRATION IN UKRAINE AND ABROAD

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The value added tax in Ukraine is the most effective tool in the mechanism of forming the state budget revenues. This is confirmed by the fact that it is a consumption tax, and its payer is the final consumer. VAT is the main tax of the shadow economy in connection with the imperfection of regulations and normative documents.

There are a significant number of scientific approaches to the interpretation of the economic essence of the financial potential of VAT. Among all taxes, VAT is the leader in the number of changes that are made to legislative acts that determine the procedure for its application. The state fiscal bodies implementing the state policy in the taxation sphere have a set of methodical approaches to forecasting the revenues of the value added tax, according to which the forecasted VAT revenues are calculated in the process of forming the draft of the state budget.

The practice of VAT functioning testifies that its influence on the activity of business entities manifests itself in two directions. According to the first – through the formation of prices for products (goods), works, and services, where VAT is included in their price. The second direction of the VAT is also connected to the immobilization of money to pay this tax. VAT payers are a large number of entities, in which immobilization of means for payment of VAT is formed. Such an immobilization adversely affects financial results. Accordingly, the study of the reasons and

timing of immobilization of funds in connection with the payment of VAT will positively affect the economic activities of entities. In order to improve the management of VAT payments and reduce the tax debt, as well as the immobilization of funds from business entities, it is necessary to improve tax planning at the macro level. It can be implemented by a compilation of budget for VAT.

The value added tax is the most budgetary tax in our country. In particular, its annual volume has exceeded the income from income tax of the organizations. It indicates that the most part of a tax burden is the share of shoulders of simple citizens but not of the enterprises.

It is expedient to analyse internal tax system in the context of its comparison with the developed and more developed tax systems of foreign countries. At the same time, we note that each country because of certain circumstances (a geographical location, the level of development, traditions, mentality) chooses an own way of development of tax system, which in the best way corresponds to its characteristics.

Summing up the results of the internal practice of administration of a value added tax, it is necessary to point out its high fiscal efficiency. The wide tax base includes not only goods but also works and services, promotes a significant increase in the state revenues of this tax. Withdrawal of a tax at all stages of the movement of goods promotes

uniform distribution of a tax burden among all subjects of business activity. Universal, i.e. the only ones, rates facilitate both a cal-

culuation of a tax directly for payers and control of the public tax authorities for the adherence to payment discipline.