

## REAL WAGES CONTROL, TAX CHANGES IN 2016

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Ukraine's economy reforming is particularly relevant to the issues of payment of real wages in terms of changes in taxation. One of the areas to address this issue is to control the payment of real wages. After changes of the tax burden, business units should contribute to the legalization of wages by reducing the tax burden. Accordingly, there is a need for consideration of the issue through the prism of control wages, which will facilitate its legalization that will be determined not only by social standards but also by the needs of business and income to the budget and social funds. This requires improving methods and control of real wages in terms of tax changes.

Research issues related to the theoretical aspects of the control system of real wages aimed at studying the impact of legislative changes in 2016 regarding the taxation of wages. Based on the legislative changes in 2016 tax payment of labour fees decreased by almost half and was charging a single social contribution. 22% tax changes should help to increase the size of the official salary, because it reduces the use of working capital business units by reducing the tax burden in part payment of the single social contribution. According to it, the reduce of taxation of wages should increase dramatically the official real wages, but it should be noted that the salary will not changed, requiring proper control, which negatively affect revenues to the local budget and social funds.

We believe that to solve this problem is an urgent need to develop methods of control of a reasoned approach to the legalization of wages. We proposed control mechanism of taxation of wages based on different interest rates applied single social contribution to the tax base, which is the payroll calculation and using single social tax regressive-progressive method to facilitate the payment of real wages.

The essence of regressive-progressive method of calculating the single social tax is that the minimum and maximum wage rate will tend to increase, whereas the average wage rate will be applied within 22%, which is extremely important for the legalization of wages.

This proposal will encourage business to pay average wages, because the size of a single social contribution to the lowest, while the maximum, minimum and guarantee rates will tend to increase, which will not be beneficial to the business units.

The study proposed to control real wage based on the proposed method of calculation of the single social contribution by the distribution of wages into two components, which will be displayed on individual sub-regressive and progressive application of the method for calculating the rate of the single social contribution. The proposal in terms of reforming the tax system will make it possible to legalize labour through the use of financial instruments of control.