APPROACHES TO THE ASSESSMENT OF FISCAL REGULATION IMPACT ON MARKETS OF DIFFERENT TYPES

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Fiscal regulation nowadays plays an important role in the support of long-term economic development, international competitiveness, flows in labour and capital markets, distribution of income and wealth in the country. Besides, it stimulates markets development in order to rebalance and enhancement of global value chains. Thus, efficiency of fiscal regulation depends on the market development, so implying the same fiscal rules on markets of different types can lead to opposite effects.

The purpose of research is to justify the approaches to impact assessment of fiscal regulation on markets of different types. It is defined that public regulation of markets evolves both institutionally and instrumentally together with the markets. The toolbox and quality of intervention during the last 70 years have considerably increased – it helps a regulator to intervene more effectively and precisely on markets to tackle failures, crises and imbalances. Though concurrent existence of markets of different type in various industries it requires measured and safe decisions on the scale and scope of intervention.

Case analysis in Ukraine and the EU has identified the number of impact of assessment methods of fiscal regulation: sensitivity analysis of tax base to rates change, fiscal efficiency of a tax, tax incidence effects (for various types of markets), correlation between budgetary instrument and its intervention subject, modelling of possible reactions and consequences for taxpayers changes in rates, incentives and taxation regimes; assessment of tax burden and tax expenditures; incidence analysis on macro level (industrial shifts, consumption correction, horizontal support).

Approaches to impact assessment of fiscal regulation on markets of different types are identified: these are economic-centred, industry-centred and citizen-centred approaches. Their modification results are from evolution of markets, institutions and concepts of public intervention. We have proved that the regulatory impact assessment on the most developed markets should include consequences both for targeted group of citizens, and for industry and economy in general.