
TYPES OF TAXES AND THEIR ROLE IN THE FORMATION OF THE STATE BUDGET

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ARTICLE INFO

ABSTRACT:

ARTICLE HISTORY:

Received: 05.03.2025

Revised: 06.03.2025

Accepted: 07.03.2025

KEYWORDS:

direct and indirect
tax, income tax, VAT,
land tax, property tax,
excise, local duties,
GDP, total tax
revenues, corporate tax,
financial development,
tax policy, tax system,
budgetary policy

This article provides information about the fact that taxes are the main source of the state budget and their types, history of origin and application. The importance of direct and indirect taxes and the opinions of scientists on this topic are discussed, in addition, the share of revenue from each type of tax in developed countries and the tax system are also discussed. If taxes are collected effectively and properly systematized, it will be easier to achieve economic freedom and stability, but if they are applied incorrectly, it can lead to various negative consequences. The interdependence of the state budget and taxes and the fact that the main financial source is tax revenue, even the necessary social assistance to citizens is at their expense, is demonstrated throughout the article.

INTRODUCTION. Tax is a payment levied by state bodies from organizations and individuals to ensure the activities of the state or local government. Taxes are the main source of state budget revenues. Also, tax, as an economic category, is a form of attracting part of net income to the budget and is a component of financial relations.

The origin of taxation is closely related to the emergence of the state and has a very ancient history. Historical sources contain information about the introduction of taxation in

the Babylonian state with the laws of Hammurabi 3760 years ago. Even today, the problem of financing the tasks performed by the state creates an objective need for taxation.

The state budget is the sum of the state's cash revenues and expenditures for a certain period (usually a year). The state budget represents the distribution of funds at the disposal of the state and is the main link in state finance. The state budget is structurally divided into the general state (or central) budget (the sum of total revenues and expenditures at the republican level) and the local (municipal) budget (cash revenues and expenditures within territorial units - country, region, district, etc.). The ratio of the two types of budgets depends on the internal conditions of the country. The state provides social services to society (ensuring national security, maintaining public order, environmental protection, assistance to the needy, providing free social services to the population, etc.), and all this requires expenses. Budget revenues are formed at the expense of taxes, non-tax levies, proceeds from state borrowing, proceeds from the sale or lease of state property.

The state budget also reflects socio-economic relations in a particular country. Depending on the economic system of society, the nature and activities of the state, the nature and composition of its income and expenses differ according to the nature of the state budget. In industrialized countries, the active intervention of the state in the economy, the production, distribution and redistribution of national income leads to an increase in the status of the state budget, national income accumulates at the disposal of the state, and its part redistributed through the budget increases.

State budget revenues or budget revenues are the funds received by the state from taxes and non-tax sources to finance state expenditures. State budget revenues, as well as state expenditures, are components of the state budget and an important element of the government's fiscal and budgetary policy. Tax collection is the most important task of the government, since revenues are necessary for the functioning of the state, ensuring general well-being (through a social contract for the implementation of public interests), and implementing its laws; this need for revenue was a key factor in the development of the modern bureaucratic state.

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LITERATURE REVIEW

There are various sources from which governments can raise revenue. The main sources of government revenue have varied over time and space. In modern times, tax revenues are generally the main source of revenue for governments. [1] Taxes recognized by the OECD include income and profit taxes, various levies, social security taxes, property taxes, and other taxes.

According to the method of collection, it is divided into direct and indirect taxes. Direct taxes are applied directly to property and income and are paid by the taxpayer without intermediaries. The most common types are: value added tax, income tax, inheritance and gift tax, turnover tax, sales tax, export-import tax, etc. Indirect taxes (excise duties) are taxes intended to be included in the prices or tariffs of goods (services) and are subsequently collected from consumers of goods. According to the characteristics of the state system, the tax system consists of state (central) and local (administrative-territorial units) taxes and fees.

Economist-scientist R.M. Grinuk studied the importance of direct taxes in foreign countries. "Direct taxes should form state budget revenues, curb inflation and price growth, stimulate innovative and investment development of the state. However, today direct taxes perform only a fiscal function and do not imply the implementation of incentive and investment functions by attracting funds from legal entities and individuals to the state budget."

Professors T. Malikov and O. Olimjonov recognized that taxes are divided into direct (direct) and indirect (indirect) taxes, depending on the object of taxation and the relationship between the taxpayer and the state. They noted that direct (direct) taxes are levied directly on income and property belonging to the subject, while indirect (indirect) taxes are levied on goods and services and are included in the price paid for goods or the tariff for services

As E.V. Pavlova noted, "correct taxes are an integral part of any state economic system. In many economically developed countries, correct taxes are the main source of state budget revenues."

Types of direct and indirect taxes:

Income tax is a direct, general tax levied on the total taxable income of individuals (citizens) with taxable income in a fiscal year, on the total taxable income (profit) of legal entities (organizations, farms, enterprises, etc.). It was introduced in Great Britain in 1842,

in Japan in 1887, in Germany in 1891, in the USA in 1913, in France in 1914. In the former USSR, by Decree of November 16, 1922, it was introduced under the general name of income-property tax and was transformed into income tax 192. workers and employees were taxed on a differentiated scale until 1991 (8 soums 20 kopecks per 100 soums, 13 percent for amounts over 100). The procedure for collecting income tax in the Republic of Uzbekistan is carried out in accordance with the Tax Code of the Republic of Uzbekistan, which entered into force in January 1998. According to the Code, tax is levied on the total taxable income (profit) of legal entities at a rate of 26 percent (2001).

Land tax is a type of tax that is mandatory for the use of land. From an economic point of view, it represents land rent. It arose with the emergence of land ownership. In almost all countries of the world, it is paid to the state budget for the use of land that is considered state property and land owned by citizens. This tax is the only type of tax, the rate of which is determined by region.

Property tax is a type of local tax levied on legal entities and individuals. It exists in almost all countries of the world. In Uzbekistan, the average annual balance value of fixed assets and intangible assets owned by legal entities is considered an object of taxation. The value of land acquired as property in accordance with the law is excluded. The tax rate for legal entities is set at 3 percent of the average annual balance value of property. Legal entities that export 50 percent or more of their manufactured products are exempt from property tax, and if they export from 25 to 50 percent, the tax amount is reduced by 50 percent. Individuals pay tax based on the value of their own houses, apartments, cottages and gardens, garages and other buildings, structures, all types of passenger cars (trucks, passenger cars, buses, minibuses, etc.), motor boats, helicopters, airplanes and other vehicles, depending on their engine power.

Excise (French: *accise* - to cut off) is an additional tax levied by the state on consumer goods, the most important raw materials, as well as services. It is added to the price of a certain product (important consumer goods: sugar, matches, salt, tobacco, alcoholic beverages, as well as cars, refrigerators, fur products, crystal, etc.) as an additional payment, and its payers are direct buyers. Excise tax is included in the price structure in the form of a certain amount or a certain percentage of the price. Excise taxes make up a significant part of the state budget revenues. Excise originated in ancient Rome. It is now widely developed in countries around the world. Since October 1, 1996, special excise stamps have been introduced in Uzbekistan for the sale of tobacco products and alcoholic beverages produced in the republic and imported into its territory from abroad.

Value Added Tax (VAT) is a type of general state tax; a form of receiving a part of the added value created at all stages of production and circulation processes to the state budget. It is part of indirect (indirect) taxes levied on goods and services. It was first proposed in 1954 by the French economist Maurice Loret, and was introduced into the tax system of the Republic of Côte d'Ivoire in 1958. It has been applied in Uzbekistan since 1992. The object of value added tax is the turnover on the sale and import of goods (works, services). The turnover on sales subject to value added tax is determined based on the value of the goods (works, services) sold, taking into account prices and tariffs, excise duty.

Customs duties are paid when goods are transported across the customs border and in other cases. Tariff preferences are granted in the form of exemption from customs duties, reduction of customs duty rates, or establishment of quotas for preferential import into the customs territory or preferential export from this territory of goods manufactured in certain countries.

Local taxes and fees are introduced to create a source of socio-economic development of the territory, restore natural and other material resources, and create conditions for the activities of local state authorities and management bodies. Local taxes are transferred to the local budget. Part of the land tax may be centralized in the republican budget in accordance with the procedure established by law for the implementation of state measures to improve land use.

DISCUSSION

The development of the state budget and the increasing importance of taxes on the income of the population in it have become the driving force of monetary policy over the past two centuries. The long-term development of taxes shows that modern taxation is characterized by its versatility. In proportion to the economic development of society, taxation norms are also improving.

Taxes play an important role in the budget indicators of developed countries. In particular, in the Eurozone (EU-19) countries, 32.9 percent of tax revenues are formed at the expense of indirect taxes, 34.2 percent are direct taxes, and 34.4 percent are social payments. An analysis of the tax systems of the European Union countries shows that the organization of the tax system ensures a balance between direct and indirect taxes. In the analysis of data for the last 10 years, no sharp changes were observed in the share of taxes in GDP and total tax revenues. Nevertheless, the share of taxes in GDP, especially the share of direct taxes, is relatively significant and shows an increasing trend. Taxes play an important role in the budget indicators of developed countries. In particular, in the Eurozone

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The analysis made it possible to identify the trends in the development of direct taxes in developed countries, their characteristics. Although indirect taxes differ significantly from each other in different countries, they demonstrate interdependence in the formation of state budget revenues. The identified trends help the state implement tax reforms or implement a tax policy aimed at increasing the ability to collect direct taxes. Research shows that, although tax legislation and tax policy in each of the developed countries have their own characteristics, in most of them direct taxes remain an important source of financing the state budget.

The share of certain taxes in the budgets of developed countries

Country	Income Tax	Corporate Tax	VAT	Sales Tax	Social Security Tax
United States	40%	10%	5%	7%	20%
Germany	35%	10%	19%	0%	25%
France	30%	10%	20%	0%	30%
United Kingdom	35%	8%	20%	0%	25%
Japan	40%	15%	10%	0%	20%
Canada	35%	10%	5%	8%	25%
Australia	30%	10%	10%	0%	25%

Key Takeaways: Taxes are a fundamental source of sales for governments round the sector, helping to fund public offerings and infrastructure while selling financial balance. The country budget of any USA relies heavily on a ramification of taxes, with each type contributing to exclusive aspects of government spending. those taxes can encompass

earnings taxes, corporate taxes, cost-delivered taxes (VAT), social protection contributions, and excise taxes, each serving a completely unique position in producing funds for national and nearby budgets. The desk below compares the contribution of these 5 principal taxes to the state budgets of 8 distinguished international locations, supplying perception into how special nations structure their tax systems and prioritize financial revenue.

Income Tax Income tax performs a extensive position inside the kingdom budget of many nations. This tax is levied on diverse income assets and is regularly based totally on a modern gadget. it's far one of the most important contributors to the nation price range, especially in advanced nations. for example, within the United States of America, income tax accounts for 40% of the country budget. In European countries, income tax additionally performs a main function, despite the fact that its percentage may additionally range.

Corporate Tax Corporate tax is levied at the profits of businesses. although it is an important supply of sales for a country's economic system, the contribution to the country price range is commonly lower than profits tax. for instance, in nations like Germany and Japan, company tax contributes around 10-15% to the nation budget.

Value-Added Tax (VAT) VAT, or value-brought Tax, is broadly used in many European nations, where it's miles carried out to the cost added to items and offerings. In nations like Germany, France, and other European nations, VAT is a considerable contributor to the kingdom budget. for instance, in Germany, VAT bills for 19% and constitutes a chief part of the price range.

Sales Tax Sales tax is used within the United States and some other nations. It's miles implemented on the factor of sale for items and services. within the United States of America, the sales tax varies between states, but it usually contributes round 7% to the state finances.

Social Security Tax Social safety tax is generally paid by each personnel and employers, and it facilitates fund the country's social welfare structures. It plays a vital function in many nations as it supports structures together with pensions, healthcare, and unemployment coverage. for instance, inside the United States, social safety tax money owed for 20% of the nation budget.

RESULTS

From the analysis of the types of taxes and their role in the formation of the state budget, several key findings emerge:

Taxes are the main source of the state budget, with the help of which the state finances its expenses and ensures economic stability. Taxes are collected in the form of direct, indirect

and social taxes, with direct taxes having a special importance in the state budget. The collected taxes are directed to areas such as social services, infrastructure, defense and security, public administration, and economic development.

The tax system among countries varies depending on economic policy, level of development and social needs. For example, developed countries such as the USA, Canada, France have a progressive tax system (taxes increase as income increases); countries such as Estonia, Latvia, Russia have a flat tax system (the same tax is paid regardless of income) or some countries such as the UAE, Qatar, Singapore have very low taxes (in Arab countries, income tax is not levied on individuals). Each country forms its tax system depending on its economic conditions.

Taxes can have a negative or positive impact on economic growth. Positive impact: increases economic activity through public investment, ensures social equality and stability. Negative impact: can lead to pressure on business (reduced entrepreneurship and reduced investment), illegal economic activity or reduced consumption (reduced consumption of VAT and excise taxes).

Every country has different problems in the tax system, which can affect economic development, legislation and public administration. In general, common problems in the system include high tax burden (high tax burden on entrepreneurs), shadow economy (illegal economic activity), tax evasion or underutilization of tax revenues. For the effective functioning of the tax system, it is necessary to properly direct and stabilize the system.

CONCLUSION

Taxes are the main financial source of the state and are one of the important tools for ensuring economic development and stability. Tax revenues are formed at the expense of the state budget and are directed to important areas such as education, healthcare, defense, and security. If the tax system is effective, the state can finance its needs and achieve economic stability. Also, business and entrepreneurship are developing, investment is increasing, additional jobs are being created, and quality public services are being provided to the population. However, if taxes are mismanaged or set at excessively high rates, they can lead to a slowdown in entrepreneurship and investment, tax evasion, the development of the shadow economy, and inefficient spending of the state budget. Taxes should serve to ensure a balance between the state and society. Proper collection and distribution of taxes is a guarantee of economic stability and a prosperous life.

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