

THE ROLE OF TAX POLICY IN INCREASING GROSS DOMESTIC PRODUCT

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Abstract

This article analyzes the role and importance of tax policy in ensuring the country's economic growth. In particular, the issues of stimulating entrepreneurial activity and attracting investments through tax rates, tax incentives, and tax administration are considered. It also scientifically sheds light on how effective organization of tax policy affects the increase in production, employment, and growth in gross domestic product (GDP). As a result of the study, conclusions and recommendations are made on ensuring economic stability and increasing the country's GDP by improving the tax system.

Keywords

gross domestic product (GDP), tax policy, economic growth, tax incentives, investments, entrepreneurial activity, tax system, economic stability.

Аннотация

В данной статье анализируется роль и значение налоговой политики в обеспечении экономического роста страны. В частности, рассматриваются вопросы стимулирования предпринимательской активности и привлечения инвестиций посредством налоговых ставок, налоговых льгот и налогового администрирования. Также научно освещается влияние эффективной организации налоговой политики на рост производства, занятости и валового внутреннего продукта (ВВП). По результатам исследования делаются выводы и рекомендации по обеспечению экономической стабильности и увеличению ВВП страны путем совершенствования налоговой системы.

Ключевые слова

валовой внутренний продукт (ВВП), налоговая политика, экономический рост, налоговые льготы, инвестиции, предпринимательская активность, налоговая система, экономическая стабильность.

Annotatsiya

Ushbu maqolada mamlakat iqtisodiy o'sishini ta'minlashda soliq siyosatining o'rni va ahamiyati tahlil qilinadi. Xususan, soliq stavkalari, soliq imtiyozlari hamda soliq ma'murchiligi orqali tadbirkorlik faoliyatini rag'batlantirish va investitsiyalarni jalb qilish masalalari ko'rib chiqiladi. Shuningdek, soliq siyosatining samarali tashkil etilishi ishlab chiqarish hajmining oshishiga, bandlik darajasining yaxshilanishiga hamda yalpi ichki mahsulot (YaIM) o'sishiga qanday ta'sir ko'rsatishi ilmiy jihatdan yoritiladi. Tadqiqot natijasida soliq tizimini takomillashtirish orqali iqtisodiy barqarorlikni ta'minlash va mamlakat YaIMini oshirish bo'yicha xulosalar hamda tavsiyalar beriladi.

Kalit soʻzlar

yalpi ichki mahsulot (YaIM), soliq siyosati, iqtisodiy oʻsish, soliq imtiyozlari, investitsiyalar, tadbirkorlik faoliyati, soliq tizimi, iqtisodiy barqarorlik.

INTRODUCTION

Tax policy is one of the most important fiscal tools that ensure the economic development of a state. A properly organized tax system stimulates investment, increases production, and ultimately contributes to the growth of gross domestic product (GDP). Modern economic research shows that tax policy is one of the important factors of economic growth. According to international economic organizations, the main part of state budget revenues is formed at the expense of tax revenues. For example, according to the International Monetary Fund (IMF), in 2024, tax revenues in the world averaged 17.5% of GDP, and this figure accounts for approximately 55–60% of state revenues.

Also, according to the OECD (Organization for Economic Cooperation and Development), the ratio of tax revenues to GDP in developed countries reached an average of 34.1% in 2024. This indicator is one of the highest in recent years.

According to experts, an effective tax policy has a positive impact on GDP growth in the following ways:

1. Stimulating investment: Tax incentives and lower tax rates increase foreign and domestic investment. Increased investment leads to an increase in production and economic activity.
2. Developing entrepreneurship: Tax breaks for small businesses and private entrepreneurship help create new enterprises and increase employment.
3. Financing public investment: Funds collected through taxes are directed to the development of infrastructure, education, and innovation. This ensures economic growth in the long term.
4. Ensuring economic stability: A balanced tax policy helps control inflation and budget deficits.

METHODOLOGY

This study used a comprehensive scientific approach to study the role of tax policy in increasing gross domestic product. The research process widely used economic analysis, statistical data study and comparison methods. First of all, in order to determine the relationship between tax policy and economic growth, international and national scientific literature, economic studies and official reports were analyzed. In particular, statistical data published by international organizations, in particular reports of international financial institutions and economic cooperation organizations, were studied as the main source.

RESULTS

Tax incentives are widely used in Uzbekistan to attract foreign and local investments. For example, more than 20 free economic zones (FEZs) have been established in the country, and a special tax regime applies to investors in these areas.

Enterprises operating in FEZs have the following benefits:

- are exempt from property tax, land tax and water resources tax;
- exempt from profit tax for 3 to 10 years, depending on the amount of investment;
- relief will also be provided on customs payments.

In addition, in 2025, a special tax-free zone will be established in Karakalpakstan for artificial intelligence and data centers, and companies investing \$ 100 million or more will be exempt from taxes until 2040. This policy will attract a large capital inflow to the country and develop the manufacturing and services sector. For example: a 1% turnover tax has been introduced for individual entrepreneurs with an annual turnover of up to 1 billion soums, tax reporting processes have been simplified, and an electronic tax system (e-tax) has been introduced.

Taxes are the main source of revenue for the state budget. In Uzbekistan, the state is also investing in the following areas through tax revenues: transport infrastructure, energy system,

industrial modernization, education and healthcare. Tax revenues are the main source of income for the state budget, through which important socio-economic projects are financed in the country. In Uzbekistan, the funds collected through tax policy are also directed to the implementation of state investments. This is of great importance for economic development, modernization of infrastructure and raising the standard of living of the population. First of all, tax revenues are directed to the development of transport infrastructure.

The state budget finances projects for the reconstruction of highways, modernization of the railway system, and construction of new logistics centers. These projects expand trade relations between economic regions and increase production efficiency. Tax revenues are also directed to the development of the energy sector. In recent years, Uzbekistan has implemented large-scale projects to build solar and wind power plants, modernize power grids, and increase energy efficiency. These projects ensure the stable operation of industrial enterprises and contribute to economic growth.

In addition, projects for the modernization of industry are also financed through state budget funds. State investments are allocated to introduce new technologies, expand production capacities, and develop the production of import-substituting products. This process helps increase the country's export potential. Tax revenues also make a significant contribution to the development of the education and healthcare system. New schools, higher education institutions, hospitals, and medical centers are being built at the expense of the state budget. This contributes to the development of human capital and long-term economic growth. In recent years, Uzbekistan has paid special attention to increasing budget revenues by digitizing the tax system, reducing the shadow economy, and improving tax administration. As a result, opportunities for financing public investments are expanding.

DISCUSSION

Tax policy is one of the important macroeconomic tools in ensuring economic stability. Through the tax system, the state regulates economic processes, forms budget revenues stably, and achieves balance in the economy. Therefore, in recent years, Uzbekistan has been implementing large-scale reforms aimed at improving the tax system and adapting it to modern requirements. In particular, important measures have been introduced to digitize the tax system, reduce the share of the shadow economy, expand the tax base, and organize tax administration more effectively. As a result of the introduction of digital technologies into the tax system, convenience has been created for taxpayers, settlement processes have been simplified, and control over economic transactions has been strengthened.

In particular, the introduction of electronic invoices, online cash registers, and electronic tax reporting systems has made it possible to monitor economic activity in real time. This serves to reduce the size of the shadow economy, strengthen tax discipline, and increase revenues to the state budget. Also, the expansion of the tax base and the improvement of tax administration ensure the stability of the state budget and create additional financial resources for the development of various sectors of the economy. As a result, there is an opportunity to direct more investments to important areas such as infrastructure, industry, education and healthcare.

According to international experts, as a result of the ongoing economic and tax reforms, the economy of Uzbekistan achieved GDP growth of 6.4 percent in the first half of 2024. This indicator indicates the stable development of the country's economy. Thus, the modernization of tax policy, the widespread introduction of digital technologies and the improvement of tax administration are important factors in ensuring economic stability and achieving long-term economic growth of the country.

CONCLUSION

Tax policy is one of the important strategic tools for ensuring the economic development of the country. An effectively organized tax system, along with the formation of state budget revenues,



serves to attract investments, stimulate entrepreneurial activity, develop infrastructure, and ensure economic stability. In particular, tax incentives and a simplified tax system provide opportunities to improve the business environment, create new jobs, and increase production. In recent years, Uzbekistan has also been implementing important measures aimed at reforming the tax system, improving tax administration, and developing the economy through the introduction of digital technologies. The digitization of the tax system, reduction of the shadow economy, and expansion of the tax base serve to increase state budget revenues and expand opportunities for financing state investments.

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