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Features of the Fiscal Policy of the State

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Abstract

The socio-economic content of tax policy is not a dogma, but a permanent process. This thesis also illustrates the diversity of scientific approaches to determining the very essence of tax policy.

***Keywords**: Fiscal, Features, scientific.*

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The concept of "politics" is related to all spheres of activity of institutions of power. Determining the main directions of policy, public authorities carry out the functions for the implementation of which it was created.

In accordance with the Project, the main goal of the state economic policy is to expand the potential for a balanced development of the country. Economic policy should be aimed at solving the following tasks: - ensuring stability and predictability of economic and financial conditions; – elimination of structural imbalances and obstacles to the development of the economy. At the same time, it is emphasized that the fundamental principle of any possible reforms and measures to adjust the tax system will be the principle of fiscal neutrality - that is, not increasing the tax burden for conscientious taxpayers.

Tax policy, as an economic concept and a set of specific tools of authorized bodies, has specific practical goals. As you know, any tax, in addition to the fiscal and regulatory action, has additional side, external to the fiscal, social consequences. Therefore, tax policy should be considered not just as an economic definition, but as a public and social one. The social price of taxes is measured by the transfer of a part of personal wealth to the entire population of the state through the budget. The evolution of financial science about the public nature of tax policy is inextricably linked with the theoretical concept of public goods, the content of which must be revised in the context of globalization. The fact is that in modern conditions the role of taxes as social regulators of the distribution of public goods is increasing.

The social nature of tax policy is manifested through the mechanism of its implementation. In our opinion, the very essence of tax policy contains social signs of causal relationships. The distribution and regulatory functions of the tax ensure the regulation of the cost proportions of distribution and redistribution of a part of the gross domestic product. On the one hand, through the action of the actual tax policy, the well-being of specific payers is deteriorating (tax payment always reduces the real incomes of state subjects). But, on the other hand, tax revenues are a source of financing public goods, the magnitude of which significantly improves the well-being of citizens. Economic theory has not developed a single evaluation criterion that combines justice and efficiency. It is impossible in principle. Based on this, according to scientists, in the sphere of uncertain situations, all solutions will be mutually exclusive.

There are many obstacles to reaching the welfare limit in the implementation of a certain tax policy, both from the market (“market failures”) and from the state (“government failures”). Therefore, the state, as a rule, makes a choice not among the effects of optimal states that are already at the welfare limit reached by society, but among the effects of inefficient states. And in this case, the scope of possible effects of improvements that do not cause negative redistributive effects is significantly expanded.

Obviously, positive and negative effects of redistribution can arise not only as a result of a conscious tax policy, but also as unexpected side effects of its action. Therefore, the formation of any tax policy requires taking into account not only the immediate benefits of it, but also the long-term consequences. The example of excise tax rates on gasoline is a clear confirmation of the manifestation of inefficient state effects. That is, the proposed option of lowering excise rates on gasoline will not lead to lower prices. This is a side effect of excise taxes.

Tax policy follows directly from the goals and objectives defined in the financial and economic doctrine of the state. It, like any other policy of the state, has its own internal content and external form, which are characterized by the actions of the state regarding the determination of

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the proportions of distribution and redistribution of the gross product, the main directions of the tax mechanism. This is precisely the socio-economic essence of tax policy, which also involves familiarization with such important components of this definition as the goal of tax policy, forms of tax policy, tax policy methods and tax policy instruments.

Tax policy is not an end in itself for the state to provide itself with financial resources by means of fiscal. And therefore, depending on the socio-economic doctrine of the state, that is, on the goal set by the state at this stage of economic development, on the state of the economy itself, different forms of tax policy implementation are used.

The purpose of tax policy, as whole, economic and financial, changes with changes in socio-economic conditions. At a certain stage of economic development, it is formed under the influence of a number of factors, the main of which are the economic and social situation in the country, the state of the economy, social sphere, business climate, etc. Conducting a comparative analysis of the main directions of tax policy with the economic conditions prevailing in the country, we involuntarily come to the opposite conclusions: the principle of fiscal neutrality has been violated; the economic decisions made do not contribute to the expansion of the country's balanced development.

When developing the goals of tax policy, one should precede from the objective functions of taxes, that is, the expression of their essential properties, public purpose as a tool for the redistribution of national income.

When forming tax policy priorities, it is also important to take into account the consequences of the sanctions policy of the Western powers, which is why it is necessary to use not only credit and budget instruments, but also actively use tax instruments.

In other words, instead of budgetary and credit support, it was possible to offer them a preferential taxation mechanism as a tool to support large domestic businesses that were on the US and EU sanctions list. Based on the list of the main functions of taxes, we define the goals of tax policy (see Table 1).

Table 1 Correlation between the functions of taxes and the goals of tax policy [1]

№	Tax functions	Objectives of tax policy
1.	Fiscal	Providing the state with financial resources for the performance of constitutional functions by authorities
2.	Distribution	Redistribution of financial resources from the production to the social sphere, financing of nationwide infrastructure and social programs
3.	Regulatory	Reducing income inequality and social protection, the impact on the price level, and, consequently, on the level of consumption
4.	Stimulating	Establishment of a system of tax rates and benefits, tax deductions, tax credits, financial sanctions, restructuring of tax debt.

Directions of tax policy are specified in its tasks. For example, providing the state with financial resources requires addressing the issue of increasing the level of tax revenues. The organizational aspect requires the improvement of the organizational structure of the state tax management and the activities of the tax authorities.

The goals that the tax policy is aimed at affect the choice of methods for its implementation, that is, the methods of practical implementation. The specific goals that the state wants to achieve when pursuing a tax policy determine the choice of adequate methods for implementing tax policy. The entire arsenal of tax policy methods developed by financial science and practice can be combined and grouped into the following general methods:

1. Decreasing or increasing the tax burden on payers.
2. Replacement of some methods and forms of taxation by others, the introduction of new or the abolition of existing taxes.
3. Reducing or increasing the sphere of influence of certain taxes, or the taxation system as a whole.
4. Introduction or cancellation of tax preferences.
5. Manipulation of progressive and proportional methods of taxation and the introduction of a differential system of tax rates.

Any method of implementing tax policy should be based on certain instruments of state participation in the regulation of socio-economic processes. Tax policy regulation instruments are exactly those levers with the help of which taxation methods work and certain goals of tax strategy and tactics are achieved. In our opinion, it is advisable to include such instruments as: tax rates, tax preferences and benefits, tax incentives and sanctions, the formation of a tax base, the establishment of objects and subjects of taxation.

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