



PROSPECTS FOR IMPROVING THE EFFICIENCY OF CUSTOMS BENEFITS TO BUSINESS SUBJECTS

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A B S T R A C T	K E Y W O R D S
The second important source of filling the budget is customs duties, and in the integration of the country's economy into the world economy, it is one of the most urgent issues to optimize the use of customs duties and benefits based on the requirements of the market situation, taking into account the experiences of foreign countries in this direction. Based on the laws and regulatory documents adopted for the purpose of all-round support for enterprises producing competitive ready-made goods that substitute for imports, modernization of the economy, stimulation of technical and technological equipment, and improvement of the investment environment, a number of benefits have been granted to the participants of foreign economic activity.	

Introduction

Regulation of the country's foreign trade activities through the preferential mechanism is one of the important areas of customs regulation. State prosperity is determined not only by the internal state of the economy, but also by the level of development of external economic activity and directly contributes to its sustainable economic growth. In terms of approaches to regulation of foreign economic activity, it should be noted that protectionist and free trade approaches are more developed in national and foreign practice.

A total of 71.4 trillion was paid by the customs authorities to the goods imported during 2021 based on the rates set by the legislation. customs fees were calculated in the amount of soums (100%) . Of this, 38.2 trln . soums (53.4%) were exempted from customs fees.

Below we can see the customs fees charged to the state budget by the customs authorities during the years 2011-2021 and the benefits granted to TIF participants from customs fees (Table 1).

Table 1 Customs fees calculated by the customs authorities of the Republic of Uzbekistan in 2011-2021, transferred to the state budget, and benefits granted from them ¹.

Years	Estimated amount (trln. soums)	Allowance given (trln. soums)	Transferred to the state budget (trillion soums)
2011	8,16	5.60	2.56
2012	11.40	7.70	3.70
2013	15.01	10.50	4.51
2014	17.51	11.80	5.71
2015	17.35	11.40	5.95
2016	19.03	13.40	5,63
2017	30,39	22,80	7,59
2018	60,27	48,77	11,50
2019	76,88	59,75	17,13
2020	65,48	40,76	24,72
2021	71,38	38,15	33,23

According to Table 1, in 2021, the benefits from customs payments to foreign economic activity participants amounted to 38.15 trillion soms, the amount of funds transferred to the state budget was 33.23 trillion soms, and the benefits from customs payments were 1.1 times the amount of funds transferred to the state budget. In 2020, this indicator was 1.6 times higher, and in 2011, it was 3.0 times higher.

There are the following shortcomings in the application of benefits and preferences for customs payments in the country:

- cases of formalization of goods by changing their code numbers according to the nomenclature of goods of foreign economic activity (TIF TN) to privileged code numbers;
- cases of falsification of documents during registration of privileged goods;
- cases of artificially increasing and decreasing the price of preferential goods.

The reason for the increase in benefits from customs fees was the modernization of production, localization programs and the increase in preferences for goods produced in countries that have established a free trade zone with our country.

It is shown in table 2 that in the framework of the benefits from customs payments in Uzbekistan, import customs duty - 50.7%, VAT - 49.2%, excise tax - 0.022%, and benefits from customs fees - 0.06%.

Table 2 The composition of benefits applied for customs payments in 2021²

Indicators	Total benefits	Import duty	Excise tax	VAT	Customs fees
The composition of benefits from customs payments (<i>trillion soums</i>)	38,15	19.35	0.008	18.77	0.022
The composition of benefits from customs payments (<i>in percent</i>)	100.0	50,72	0,02	49,20	0,06

¹The author's work (based on the data of the report of the State Customs Committee).

²The author's work (based on the data of the report of the State Customs Committee).

widely uses tariff quotas (tariff preferences) for third countries .³This benefit is provided on the basis of an agreement with non-union countries specializing in the production of raw materials, semi-finished products and staple foods that are not sufficiently produced in the country. The lowest rate applies when imported within the specified quota, quantity. Customs duty is determined based on the country of origin and origin of imported goods exceeding the quota. Tariff quota is not provided for finished products.

In conclusion, customs concessions and preferences are of particular importance in regulating export-import operations in the economy. The volume of the provided customs benefits and preferences made up 53.4 percent of the total calculated customs payments⁴. This situation implies the need to research the conditions for providing existing benefits and preferences and the mechanisms for evaluating efficiency indicators.

In order to increase the effectiveness of benefits and preferences from customs payments, it is necessary to pay attention to the following:

- In 2020, the Republic of Uzbekistan has an active foreign trade balance with 2 countries, namely Kyrgyzstan and Tajikistan, among the countries with a free trade zone agreement. An inactive balance was observed with the rest of the partner countries last year. In order to increase the effectiveness of tariff preferences and to achieve an active foreign trade balance with other countries, it is proposed to set quotas for countries from tariff preferences.
- the second part of Article 201 of the Customs Code of the Republic of Uzbekistan entitled "Customs control after the export of goods" in order to achieve the purposeful use of benefits from customs fees and to achieve full recovery of additional customs fees calculated as a result of certain errors and deficiencies, as well as to increase the efficiency of customs control after the export of goods It would be appropriate to make an amendment that "customs control after the export of goods and additional calculation of customs fees can be carried out within three years (in practice one year) from the time when the goods are under customs control."
- We can see that the concessions given to Uzbekistan from customs payments are 1.6 times more than the amount of funds transferred to the state budget in 2020, which has a positive effect on the increase in the volume of imports, and this situation leads to a negative balance in foreign trade. In order to optimize import goods and improve the competitive environment in our republic, it is recommended to reduce monopolistic enterprises and to introduce a mechanism for applying the mechanism of granting concessions from customs payments to general goods.
- it is recommended to cancel customs duty exemptions for the import of certain goods, set quota customs duties (low rates for a certain amount of goods) for certain goods necessary for the state needs, and set a high rate for goods that are in excess of the needs of our republic.

³Tariff quota is a method of managing foreign trade policy through tariffs , which means import or export exempted from customs duty within the limits established by law.

⁴Author's calculation (based on information from the report of the State Customs Committee)