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OPTIMIZING THE TAX BURDEN OF COMPANIES IN THE CONTEXT OF GLOBAL CHANGES: NEW STRATEGIES AND RISKS

Mirkamol Sagdiev
Financial Expert, USA

ABSTRACT

This article examines current trends in corporate taxation driven by globalization, digitalization, and geopolitical instability. New strategies for optimizing companies' tax burdens, as well as the associated risks, are analyzed. Emphasis is placed on legal approaches to tax planning, the transformation of tax functions, and the importance of tax risk management in a rapidly changing world.

KEYWORDS

Tax optimization, corporate taxes, transfer pricing, international planning, tax risks, globalization, digitalization, ESG, Pillar Two, financial planning.

INTRODUCTION

The scientific novelty of the article lies in the identification and systematization of new tax optimization strategies arising under the influence of global changes (digitalization , Pillar 2), as well as in the analysis of the specifics of their application in the context of Uzbekistan as a developing economy.

In today's context of globalized economic processes and the accelerated digitalization of business models, corporate taxation is undergoing profound transformations. Traditional tax systems, developed in the era of predominantly national operations, are proving inadequately adapted to the complex multi-jurisdictional structure of transnational companies, especially those that actively exploit digital platforms and intangible assets.

First, globalization intensifies competition between countries to attract foreign investment, which creates a tax rate race and encourages companies to seek transfer pricing schemes and tax evasion. As noted by B. Zh. Ermekbaeva, a PhD candidate in economics, globalization has a significant impact on the structure of national tax systems, creating challenges for national tax policy and tax base management [1]. Furthermore, O. V. Kachur, a PhD candidate in economics, examines how globalization is changing tax policy, exacerbating the problem of determining the place of "effective taxation" in the context of digital services and transnational income flows [2].

Secondly, the digital transformation of the economy poses new challenges for tax systems. Digital companies with intangible assets and an international structure can shift profits to low-tax jurisdictions, undermining tax fairness. Scholars E.L. Moreva and O.V. Stulov examine how digitalization provides transnational firms with opportunities for aggressive tax planning and evasion [3]. At the same time, new international mechanisms are attempting to mitigate these risks: the OECD's two "pillars" initiative (Pillar 1 and Pillar 2) aims to combat base erosion (BEPS) and tax avoidance [4].

Thirdly, the introduction of the global minimum tax (Pillar 2), a key element of international tax reform, creates new requirements for multinational corporations with revenues above the threshold (€750 million), forcing them to reconsider their tax structures and cross-jurisdictional strategies. According to KPMG, the new GloBE rules (Global Anti-Base Erosion) require achieving an effective tax rate (ETR) of at least 15% in each country where the group operates [5]. At the same time, implementing these standards is associated with significant risks and costs: this is confirmed by an analysis of the impact of reforms on companies and national budgets.

Finally, digitalization and global tax reform are transforming the tax function within companies: the increased complexity of rules, the need for reporting and analysis across multiple jurisdictions are driving the adoption of technologies, including machine learning, data automation, and AI-based tax management systems.

Thus, in an era of global change, companies face a choice: maintain competitiveness and minimize their tax burden, or risk violating new international regulations and facing additional obligations and reputational damage. In this context, studying tax burden optimization strategies and tax risk management systems that can ensure sustainable and legitimate business development becomes especially relevant.

Tax optimization is a management activity aimed at minimizing a company's tax liabilities within the law and the current tax system. Theoretically, it is based on several fundamental economic principles:

1. Functions of tax: in the classical theory of taxation, a distinction is made between the fiscal function (collection of revenue for the budget) and the regulatory function (stimulation or restriction of economic activity).
2. The Laffer curve shows that there is an optimal tax rate at which budget revenues are maximized; a higher or lower rate may either reduce revenues or hinder economic growth [6].
3. Tax management: Tax management theory views taxes as a strategic resource - companies must manage tax assets and liabilities through planning, forecasting and analysis.

Transfer pricing (Transfer Pricing is one of the key tax optimization tools for international corporations. The theoretical foundations include:

1. The principle of " arm 's " length ": According to this principle, prices in transactions between affiliates must correspond to market prices. Otherwise, there is a risk of manipulation to "shift profits" (profit shifting).
2. Earnings shifting models: Research shows that firms can combine internal sales and debt (internal debt) to optimize taxes, even while complying with the arm 's principle length [7].
3. Uncertainty in price assessment: a number of theoretical models use “fuzzy ” logic) to describe arm ' s parameters length, which reflects the real uncertainty in determining market prices.
4. Risks of fines and control: optimization through transfer prices is associated with the risk of tax fines, especially if prices are far from market prices and regulatory authorities increase supervision [8].

Theoretical approaches to tax planning include:

1. International tax planning: Companies build global structures using double tax treaties , preferential regimes or low-tax jurisdictions.
2. Tax accounting policy: optimization through the choice of depreciation methods, recognition of income and expenses, and loss carryover.
3. Tax administration: an effective tax administration system is important, ensuring both the fulfillment of obligations and the possibility of strategic planning. I. A. Bezverkhova, PhD in Economics, shows in her dissertation that administration methods influence how effectively tax schemes can be used [9].
4. Aggressive tax planning models: With the development of technology, new ways of analyzing and identifying patterns are emerging, for example, using knowledge graphs (knowledge graph), which can both help the company in planning and identify possible aggressiveness of schemes.

The regulatory and institutional framework includes the following:

1. BEPS project of the OECD: BEPS project (Base Erosion and Profit Shifting is a central concept of international regulation aimed at limiting transfer pricing abuses and aggressive tax planning.
2. Special tax regimes (STR): Some jurisdictions introduce preferential or special tax regimes (e.g. free economic zones, special tax regimes for small businesses), which are theoretically explained by the incentive function through tax policy.
3. Accounting policy and tax transparency: companies formulate accounting and tax policies taking into account reporting requirements, standards (e.g. IFRS) and national legislation, which affects the tax base and temporary differences.

Table 1 - Basic theoretical concepts of tax optimization

Concept	**Key elements**	**Importance for optimization**
Laffer curve	Dependence of budget revenues on the tax rate	Determining the "optimal" tax rate in terms of revenue and incentives
Functions of tax	Fiscal, regulatory and social functions	Understanding the role of taxes in business -strategy and the economy of the state
Transfer Pricing (TP)	Arm's principal length, internal sales, internal debt	Using TP to redistribute profits between jurisdictions
Profit Shift Models	Use of debt and transfer prices	Maximizing adjusted intra-group profit while taking into account control risk
Uncertainty in TP (fuzzy -models)	Model with fuzzy arm 's boundaries length	Accounting for legal and economic uncertainty in pricing
International planning	Structuring jurisdictions, tax treaties (double tax treaties)	Creating optimal group structures to minimize the tax burden
Tax accounting policy	Depreciation selection, income/expense recognition, loss carryforward	Tax base management through accounting solutions
Tax administration	Control, reporting, interaction with tax authorities	Increasing the efficiency of tax compliance and minimizing risks
BEPS / Regulation	Anti- -BEPS rules, transparency, and information exchange	Taking global risks into account and adjusting tax planning strategies
Aggressive planning + technology	Knowledge graph , structure analysis algorithms	The ability to both optimize and identify potential aggressive planning patterns

Modern companies are forced to adapt their tax strategies due to the impact of globalization, digitalization, and international tax reform (Pillar 2, BEPS). Key areas of these new strategies include:
1. Digitalization of the tax function:
- using big data analytics, artificial intelligence and automated systems to monitor tax liabilities and identify risk areas;
- increasing the accuracy of calculations, reducing errors and speeding up tax reporting [5].
2. International tax planning :
- application of transfer pricing taking into account the arm's principle length ;
- the use of double taxation agreements and preferential jurisdictional regimes to optimize the global tax burden [7].
3. Integration of ESG and tax strategy:
- inclusion of environmental, social and governance factors in tax policy;
- use of incentives and loans for "green" investments and sustainable development projects.
4. Financial flexibility and planning:
- optimization of capital structure through the balance between debt and equity;
- loss carry forward, depreciation and other tax instruments to reduce the taxable base [10].

Table 2 - Main new tax optimization strategies

Strategy	**Key actions**	**Effect / purpose**
Digitalization of the tax function	Implementation of AI, big data analytics, and automated reporting	Reduce errors, speed up data processing, identify risks
International planning	taxation agreements, preferential regimes	Optimization of the global tax burden, reduction of taxation at the international level
ESG integration	Green investments, social and governance projects	Obtaining tax benefits, increasing corporate sustainability and reputation
Financial flexibility	Debt and equity balance, depreciation, loss carry forward	Reducing the current tax base, optimizing financial flows

Optimizing the tax burden, despite its advantages, is associated with a number of risks and limitations that must be taken into account during strategic planning.

Regulatory and legal risks:
1. Strengthening international and national controls (e.g. BEPS, Pillar 2) increases the likelihood of additional assessments and fines.
2. Changes in legislation and instability of tax policy create uncertainty for long-term planning.
Operational and technological risks:
1. Lack of qualified specialists in taxes and new technologies.
2. Possible errors when implementing AI and automated tax management systems.

Reputational risks:
1. Aggressive optimization may be negatively perceived by society and investors, affecting corporate reputation.

Financial risks:

1. Errors in calculations and incorrect application of schemes may lead to additional tax liabilities.
2. Costs for consultants, technology and the implementation of new strategies also increase overall costs.

In recent years, Uzbekistan has been actively reforming its tax system, creating conditions for both the legal optimization of companies' tax burdens and for increasing transparency and compliance with international standards. One of the key changes was the introduction of transfer pricing rules, which came into effect in 2022. These rules require companies to document transactions with affiliates, which is consistent with international OECD recommendations. Experience shows that successful adaptation to the new requirements allows companies to legally optimize taxes while reducing the risk of fines and additional assessments [11].

Tax policy in Uzbekistan also strengthens controls over the profitability of controlled foreign companies (CFCs). These changes encourage local holdings to review their ownership structures and financial flows, which facilitates more transparent and strategically sound tax planning [12].

A key factor in tax optimization in the country is the differentiation of corporate income tax rates. The standard rate is 15%, while certain sectors, such as e-commerce and banking, are taxed at special rates. These measures create opportunities for companies to choose appropriate tax models, increasing the effectiveness of financial planning [13].

Free economic zones (FEZs), such as Navoi, Angren, and Jizzakh , play a special role in tax optimization. Companies operating in these zones can enjoy preferential tax regimes and partial tax exemptions, stimulating investment activity and promoting economic growth.

Empirical observations show that tax reform has a positive impact on entrepreneurship development and the transparency of financial flows. Reducing rates and simplifying procedures facilitates business legalization and improves the business climate. However, challenges related to the shadow economy and insufficient tax discipline in certain sectors remain, requiring companies to take a comprehensive approach to taxation .

Thus, the example of Uzbekistan demonstrates a combination of legislative initiatives, differentiated tax rates, and FEZ preferences, which is shaping a modern tax optimization landscape focused on legally reducing the tax burden and increasing the transparency of corporate finances.

Consequently, global changes (digitalization , geopolitics, and sustainable development) are transforming the corporate tax landscape. Under these circumstances, tax optimization is becoming not just a means of reducing costs but a strategic management tool. However, harnessing these new opportunities requires a balance: between legitimate planning and risk, between benefit and responsibility. Only an integrated and transparent approach will enable companies to build a sustainable tax strategy for the future.

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