



WHAT TAXES SHOULD A SELF—EMPLOYED CITIZEN PAY: THE SPECIAL TAX REGIME OF SELF-EMPLOYMENT - WHAT IS IT, THE AMOUNT AND RATE OF TAXATION

Kazakov Firdavs Farxod ugli
Tashkent State University of Economics., Uzbekistan

Annotation: Since January 2019, a pilot project has been launched in several regions of the country, designed to test a new regime for Russians. Its general mission is to bring freelancers out of the shadows and create a special tax system for them. Remarkably, at first, preferential holidays were in effect for those who "decided to join" — for two years no payments were charged from them It is important to mention that although only four regions took part in the project, any citizen of Uzbekistan can apply for the status.

Key words: tax, services, income, self-employment, customer.

What is tax self-employment?

Currently, this regime involves mandatory registration with the Federal Tax Service, as well as regular repayment of taxes. Among the bonuses, all payments with the tax authorities are made in a simplified form.

Who can apply for the status:

- citizens of the Republic of Uzbekistan who have reached the age of 16;
• not officially working;
• do not have a sole proprietor;
• those who have submitted an application to the Federal Tax Service;
• not hiring employees.

In addition, it is important to systematically earn money for services rendered or goods sold.

The maximum amount of income within the framework of self-employment cannot exceed the mark of 2.4 million sums.

What tax do self-employed citizens of the Republic of Uzbekistan pay

The payment depends on what type of activity the SL is engaged in. For example, if you cooperate exclusively with individuals, you will have to pay 4% from each check. If your clients are organizations and legal entities, the rate will be 6%. As for accounting for expenses and reducing interest charges, these options are not provided for by current legislation.

It is worth noting that payments to the state budget are not made if the amount is less than 100 sums. In this case, the debt is transferred to the next month, but without the application of penalties.

For those who have just registered, there is a deduction of 10 thousand sums. Before it is exhausted, you can take advantage of the opportunity to reduce contributions.

Checks and tax payments

Having figured out how much tax should be paid to the self-employed, let's talk about the specifics of forming settlement documents for payments. They are created on the basis of check orders, help tax authorities monitor the real earnings of freelancers, and control the transparency of the process. Additionally, all relevant information is duplicated in the "My Tax" application.

The receipts/receipts contain the following data:

Table with 2 columns: Page number (82) and Publication information (ISSN 2319-2836, ASIA PACIFIC JOURNAL OF MARKETING & MANAGEMENT REVIEW, under Volume: 13 Issue: 05 in May-2024, https://www.gejournal.net/index.php/APJMMR, Copyright (c) 2024 Author (s). This is an open-access article distributed under the terms of Creative Commons Attribution License (CC BY). To view a copy of this license, visit https://creativecommons.org/licenses/by/4.0/)



- place and date of creation of the documentation;
- characteristics of the taxpayer seller, his TIN;
- a reference to the use of a special tax regime;
- list of sold goods or services;
- information about the customer;
- the amount of funds paid by the buyer;
- details of credit institutions and operators.

In addition, a QR code is necessarily printed on the receipts - it is intended for reading and processing settlement records by a specialized automated system. Each of them is assigned a unique number.

The receipts are sent to the consumer in paper or electronic form. The second option makes it possible to interact via e-mail.

Self-employment and taxation of self-employed persons: how much will you have to pay

There are only two payment system options:

- 4% is relevant for those incomes that were received by the taxpayer as a result of the sale of goods or the provision of services to individuals;
- 6% — applies in cases where profits are made from the sale of IP products, which will then be used in entrepreneurial or private commercial activities.

As practice shows, in modern Russian realities, the first rate of four percent is more common.

Special tax regime for the self-employed: how is income calculated

Let's note right away: you don't have to calculate anything manually. Only within the framework of self-control, to make sure that there are no errors.

At the same time, it is important to remember that all the services that you provide to customers and the goods that you sell must be accompanied by electronic receipts generated using the My Tax program (it can be installed on a smartphone).

By summing up all the checks issued, the Federal Tax Service determines your income level. As soon as you break through the next sale, the revenue amount automatically increases, and with it the tax part.

What is the amount and tax rate for self-employed citizens of the Republic of Uzbekistan

Monthly (until the twelfth day) The Federal National Assembly informs everyone who has officially registered self-employment about which specific payment was made for them in the current reporting period. As a rule, all messages are sent and received through the MN mobile application (it is free to download, works on both iOS and Android platforms). In rare cases, some notifications may come in the form of SMS messages, but this is rather an exception to the general rule.

So, for example, how much tax is for self-employed citizens for February 2021, you will find out before March 12, 2021.

When to pay

Suppose you have been sent a message that you need to transfer a certain amount of money over the past month. You are obliged to pay off all debts by the 25th.

For example, the debt for December should be paid before January 25th. This scheme is applied monthly.

How to pay taxes to a self-employed person



As a rule, all transfers are made from personal bank cards. If desired, you can even set up automatic debiting to accurately prevent delays (however, this option will be fully available only after six months).

In total, SL offers four payment options. More details about them are below.

Through the MN program

As soon as the tax inspectorate completes the calculations, you will receive a special notification stating the exact amount to be deducted. It is important to close the money transaction before the 25th. It is usually carried out from the personal card of a self-employed person.

Pay at the bank branch by receipt

The payment documentation is generated in the form of QR codes. Subsequently, you show it to the cashier or bring it to the terminal reader.

Pay using the automatic debit connection

Self-writing is a particularly convenient option that allows you to forget about mandatory monthly fees and transfers. It is enough just to record the card or account data in the MN application, and the program will do everything on its own.

How taxes are paid by the self-employed in Uzbekistan with a reusable payment order

This is done in a bank or on specialized electronic platforms.

Important! If it is not possible to install the application for technical reasons, then you can pay the fees by registering on the official portal of the Federal Tax Service. The main disadvantage is the need to submit reports on the income received in paper form.

You need to open a special account

No, this is completely optional. You have the right to use a previously opened card. The main thing is that it should be debit. The Federal Tax Service reads the income (and, accordingly, taxes) of the SL on the basis of the checks and payment orders issued by them. As for monitoring all incoming funds, it is not actually being implemented.

However, if you want to ensure transparency of accounting, experts recommend getting a separate card. It is much more convenient and functional. It also minimizes the risk of errors and confusion.

Identification of illegal self-employed

If it seems to you that you can continue to provide your own services on a non-informal basis, you are very mistaken. The fact is that today the tax authorities have developed a whole system designed to timely identify those who are in no hurry to legalize their own income. In particular, the following measures are used to detect persons conducting shady activities:

- tracking the dynamics of the movement of electronic funds;
- active interaction with public utilities that keep records of able-bodied people paying off insurance premiums and income payments;
- control of information about the provision of services through social networks;
- conducting control purchases;
- organization of special raids and inspections.

In addition, government agencies currently have the ability to monitor which bank transfers are being made. This is especially true for those cases when a freelancer accepts payment for work performed to a bank account or debit card. If there is no officially registered self-employed status, the



verification service may have questions. She will conduct an investigation, during which she will quickly discover the fact of "shadow activity". Next, you will need to pay fines and repay fees.

Penalties and risks

The state is actively fighting those who keep "black bookkeeping", work "in the shadows" and in every possible way evade the fulfillment of tax obligations. In order to minimize negative financial phenomena, certain penalties are provided. So, for example, a freelancer who is not registered as an individual entrepreneur or an employee and does not pay taxes may be fined. The maximum amount is 20% of settlements with consumers. In case of repeated violation within six months, the amount increases to 50%.

Important! The Federal Tax Service provides a special transition period, the general mission of which is to adapt self-employed citizens to other working realities.

Employees can take responsibility for their pension benefits themselves or agree to state support. In the latter case, they will be assigned minimum social benefits. Currently, Russians have the right to claim full-fledged pensions only if they accumulate a certain length of service. By 2024, it will be fifteen years.

Pensions for freelancers

One of the rights of self-employed persons is to make voluntary contributions to the FIU and accumulate bonus points, which are then taken into account when forming pension payments. In fairness, it is worth noting that such a rule applies to any citizen of the Russian Federation. In the future, it is planned to create a separate capital on the basis of which pensions for SL would be formed.

The difference with IP

Despite the fact that self-employment and individual entrepreneurship have a number of common features, these tax regimes are not identical. The main differences include:

The format of the registration procedure. So, entrepreneurs have to apply to the Federal Tax Service on their own, having previously prepared a package of papers and documents, having paid the state fee. A simplified version of the procedure is provided for their colleagues.

The choice of the tax system. Sole proprietors choose between PSN, OSNO, ENVD, USN. A special alternative has been developed for the self-employed.

Submission of reports. Sole proprietors submit documentation in accordance with the established schedule several times a year. Their opponents are not required to generate any reports.

The possibility of hiring. Sole proprietors have the right to hire employees.

In addition, it should be noted that individual entrepreneurship often requires the installation of cash registers, payment terminals, etc. Self-employment in this sense is an activity associated with lower risks.

The advantages of leaving the "shadow"

Among the advantages of gaining official status are:

- the minimum tax fee is 4-6% (for comparison, individual entrepreneurs will have to pay up to 13% of income);
- simplified process of interaction with legal entities — the company does not have to hire staff and make deductions from their salaries;
- open advertising of services without the risk of harassment by specialized services;
- the possibility of receiving a decent pension upon reaching a certain age.

It should be noted that the state intentionally removes all private performers from the "shadow" and begins to receive up-to-date information on their income level. Active measures are being taken, in particular, a registration mechanism has been developed to facilitate the entry of all freelancers into a single database. It also becomes decisive in determining the size of the tax rate — from 4 to 6 percent (depending on the category of services provided, as well as the class of consumers). To encourage citizens to apply for self—employment, a bonus is provided - a one-time deduction of ten thousand sums. As for avoiding repayment of mandatory payments, penalties are imposed for this.

REFERENCES:

1. Babich, A.M. State and municipal finance: textbook. for universities [Text]/ A.M. Babich, L.N. Pavlova. – M.: UNITY, 2009. – 688 p.
2. Budgetary system of Russia: textbook. [Text]/ Ed. G. B. Polyak. – M.: UNITY-DANA, 2012. – 212 p.
3. Zharkovskaya, E.P. Finance: textbook. manual [Text]/E.P. Zharkovskaya, I.O. Arends.-M.: Omega-L, 2011. – 400 p.
4. Konishcheva, M.A. Finance of organizations: textbook / M.A. Konishcheva, O.I. Kurgan, Yu.I. Cherkasova; Ministry of Education and Science of the Russian Federation, Siberian Federal University. - Krasnoyarsk : Siberian Federal University, 2015. - 383 p. : table, diagrams. - Bibliography: p. 257-261. - ISBN 978-5-7638-3231-0; The same [Electronic resource]. - URL: <http://biblioclub.ru/index.php?page=book&id=435687> (06/23/2016).
5. Leontiev, V.E. Finance, money, credit and banks: textbook. manual [Text] /V.E.Leontyev, N.P. Radkovskaya. – St. Petersburg: IVESEP, Znanie, 2011. – 384p.
6. Podyablonskaya, L.M. State and municipal finance: textbook / L.M. Podyablonskaya. - M.: Unity-Dana, 2015. - 559 p. : table, diagrams - Bibliography: p. 552-553. - ISBN 978-5-238-01488-3; The same [Electronic resource].-URL: <http://biblioclub.ru/index.php?page=book&id=114698> (06/23/2016).
7. Finance: textbook. [Text] / Ed. A.G. Gryaznova, E.V. Markina. – M.: Finance and Statistics, 2011. – 504 p.
8. Finance: textbook / I.I. Glotova, E.P. Tomilina, O.N. Uglitskikh, Yu.E. Klishina. - Stavropol: Agrus, 2013. - 492 p. : diagrams, table. - Bibliography V book ; The same [Electronic resource]. - URL: <http://biblioclub.ru/index.php?page=book&id=277485> (06/23/2016).
9. Finance. Textbook / ed. E.V. Markina. - M.: KNORUS, 2014. - 342 p.
10. Finance: textbook. [Text] /Ed. G.B. Pole. – M.: UNITY-DANA, 2011. -516 pp.