

IMPACT OF PROFIT TAX ON INVESTMENT PROCESSES

Ashurova Oltin Yuldashevna

Samarkand Institute of Economics and Service, senior lecturer

Bahronov Mexroj

4th year student of Samarkand Institute of Economics and Service

Odilov Sunnatjon

4th year student of Samarkand Institute of Economics and Service

Abstract: The article discusses the essence of profit tax in the context of economic globalization, its economic and social significance, and issues of improving the tax system. The study analyzes the role of profit tax in ensuring the stability of the state budget, its impact on the financial results of enterprises and investment processes, and develops scientific proposals for its improvement.

Keywords: Profit tax, tax system, tax policy, financial result, state budget, investment processes.

In the context of economic globalization, ensuring financial stability and entering the world market, raising the economy to a world level and increasing its stability in order to withstand external influences requires solving a number of tasks. These are, firstly, improving the business environment, secondly, ensuring the stable functioning of the tax system, and thirdly, continuing to form a reliable legal framework in the field of taxation.

Supporting the development of entrepreneurial activity is a central part of diversifying entrepreneurship. It is entrepreneurship that is the driving force behind the modernization of the economy. Therefore, improving the taxation of entrepreneurship should be a promising direction of economic development.

Improving the taxation system of business entities, given the importance of their financial results, has been of great importance in all periods and in all countries.

Currently, the main goal of business entities of various forms of ownership is to try to get maximum profit with minimal costs. At the same time, if the enterprise has strong payment discipline, it seeks to avoid any fines by paying taxes to the budget on time and pays taxes to the budget on time.

Profit is the final financial result of business entities operating on a commercial basis, and is one of the main financial sources of income for the republican and local budgets. When prices are stable, the growth of profit dynamics indicates that the enterprise is operating effectively. The growth of profit expands the financial strength of the enterprise, the opportunities for organizing a fund for the development of production and the social sphere, and material incentives for employees.

In different countries, there are taxes levied on the financial results of legal entities. However, it is worth noting that each country acts in the collection of taxes, guided by its internal policy or based on the role of sectors in the economy of the sector in the socio-economic life of the state. There is no single approach to taxation of the financial results of enterprises.

Since the profit tax depends on the final financial result of the enterprise, it affects the investment processes and capital growth of the enterprise. Profit tax is the main type of tax for enterprises.

In practice, based on tax legislation, profit tax takes into account, in addition to the profit received from the production activities of enterprises, organizations and associations, income from securities transactions (dividends or interest income from the issue and placement of shares, bonds), as well as income received from participation in the activities of other enterprises. In general, the concept of profit tax is also reflected in the relations of enterprises, organizations and associations related to the centralization of part of the aggregate of centralized profits (income). This requires that profit tax relations be improved in content, based on current laws.

Thus, in order to understand the essence of profit tax, it is necessary to pay attention to the strategic movement of funds, which has three characteristics related to the profit tax relationship:

1. When a taxpayer pays a part of his profit to the state budget as profit tax, he does not receive any equivalent goods or services from the state in return. In general, the profit tax paid does not arise in a direct relationship between the funds received by the taxpayer from the state. In this same way, profit tax differs from permits (licenses) and brokerage fees, since they are considered mandatory or voluntary payments in their own right, but are always associated with the receipt of a certain benefit from the service provided by the state. Since each entity, as a taxpayer, is usually unable to evaluate the benefits or interests received by society and itself with the taxes paid, in some cases they lead to tax evasion or concealment of their benefits.
2. The responsibility for the full and timely payment of profit tax to the state budget as a mandatory payment lies with taxpayers. Therefore, the responsibility for the payment of profit tax imposes mandatory liability on its payer.
3. Through the centralization of profit tax by the state, the main part of the state budget revenue is provided in the established amounts. Therefore, the similarity of the payment of profit tax within the framework of the movement of specific funds occurs at a high level of tax relations.

It is noted that a high level of the correct tax rate indicates a uniform and stable development of the economy. In the structure of correct taxes, profit tax occupies a leading place.

In this way, we will clarify the essence of the profit tax, it is important to study it from the perspective of relations within the framework of the profit tax. The profit tax, by its nature, represents the relations between the state budget and legal entities. When revealing the economic essence of the profit tax, it is necessary to consider it as a fixed, constantly recurring reality, that is, an economic reality. Therefore, the profit tax is a financial category. It is worth noting that the profit tax does not represent all monetary relations, but monetary relations in the distribution and redistribution of profit (income), which is the object of the tax.

When unraveling the essence of the profit tax, it is necessary to show that it is, first of all, a mandatory payment. True, there is a binding nature in the profit tax relations, this binding nature is introduced by a parliamentary resolution, that is, by law, taking into account the strict requirement of the state. Therefore, the mandatory nature of the profit tax is introduced by the

Oliy Majlis on the basis of legal democratic norms. Moreover, the content of the profit tax includes relations related to the mandatory long-term monetary movement.

When solving the essence of the profit tax, it is necessary to pay attention to the fact that it is the most democratic payment. Because in a market economy, the state cannot directly collect the profits of enterprises, associations and organizations of various forms of ownership as a mandatory payment without taxes. In addition, the state uses the profit tax approved by the Oliy Majlis to generate income for the budget from the profits of enterprises and organizations of various forms of ownership. Therefore, the profit tax is a unique independent component of tax relations. Its operation is associated with legal relations that can arise on a democratic basis. Thus, the profit tax expresses a monetary relationship, in which the state is on one side and taxpayers, that is, enterprises, associations and organizations, are on the other.

The role and significance of the profit tax in socio-economic development is also very large.

Firstly, the fact that the regulation of the object of the profit tax through incentives is made dependent on the tax payment itself, encourages enterprises to develop high-quality products (goods) to increase the volume of production compared to the previous year. The profit received and on the balance sheet of the enterprise reduces inappropriate spending and expands investment in sectors of the economy that do not provide a direct return, creating an opportunity for its rapid implementation.

Secondly, the profit tax encourages enterprises to spend their funds on housing construction and to benefit from increasing their export volumes. Because the exemption of such profits from tax increases the solvency of the enterprise, which strengthens its financial position.

Thirdly, the application of profit tax incentives creates favorable conditions for reducing development costs, developing a large number of high-quality products, and increasing budget revenues.

Fourth, the possibility of combining the profit tax with the corporate income tax in the future depends on the growth of economic indicators that can be achieved by them, since by creating such tax relations, it will be possible to achieve a positive shift in qualitative changes in the production and service sectors.

Profit tax is one of the most important direct (direct) taxes paid by enterprises. The characteristic features of this tax are as follows:

- this tax is calculated only if the enterprise has taxable income (profit), this tax does not exist when the enterprise's loss is less than the taxable base. Therefore, an important condition for paying profit tax is profitable production and profit from its activities by enterprises.
- the amount of profit tax directly reduces the net profit of the enterprise, that is, the profit that remains for its owner. Therefore, this tax often causes dissatisfaction among taxpayers. Therefore, it is important to constantly reduce this tax burden in the state tax policy.
- profit tax is a type of tax that encourages business entities to operate profitably and avoid crises. Operating at a loss by enterprises is not considered beneficial not only to the state, but also to them. An enterprise that does not achieve income (profit) cannot develop its production, nor can it contribute to the development of society.
- enterprises that receive income (profit) in exchange for the types and conditions of production established by the state will have very large benefits under this tax, including the profit received from increasing the physical volume of production is not taxed at all, and for exporting consumer

goods, children's goods, and goods, very large benefits are provided for manufacturing enterprises under tax legislation.

Reference:

1. Haydarov N. Taxes and taxation issues. - T.: Academy, 2017. - 256 p.
2. Manuilenko V. V., Sadovskaya T. A. Economic essence, types and functions of profit of an economic entity: a modern aspect // Financial analytics: problems and solutions. - 2022. - No. 33. - p. 26.
3. Alieva S. S. Improving the formation and distribution of enterprise profits in the context of economic modernization. (using the example of enterprises in the Samarkand region). Abstract of a dissertation for the degree of Candidate of Economic Sciences. - T.: BFA, 2011. - p. 26.
3. Tashmuradov T. Tax theory and system. Textbook. -T.: Bilim, 2024. -320 p.
4. Zaynalov J.R., Ibragimov I A., Akhrorov Z.O. Corporate Finance. Textbook. – Samarkand.: Stap-sel, 2023. – 268 p.