

CLASSIFICATION OF TAXES ACCORDING TO THE OBJECT OF TAXATION

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Annotation. This article examines the classification of taxes according to the object of taxation and analyzes its theoretical foundations and practical application in the tax system of the Republic of Uzbekistan. The study explores the main categories of taxes based on economic objects such as income, property, consumption, and natural resources. Using the current Tax Code of Uzbekistan and scientific literature in public finance, the research evaluates the economic significance of each category and their role in forming state budget revenues.

Keywords: taxation, tax system, object of taxation, tax classification, fiscal policy, Uzbekistan.

Annotatsiya. Mazkur maqolada soliqlarni soliqqa tortish obyektiga qarab guruhlash masalasi hamda uning nazariy asoslari va O'zbekiston Respublikasi soliq tizimida qo'llanilishi tahlil qilinadi. Tadqiqotda soliqlarning daromad, mol-mulk, iste'mol va tabiiy resurslardan foydalanish kabi iqtisodiy obyektlar asosida shakllanishi ko'rib chiqiladi. O'zbekiston Respublikasining amaldagi Soliq kodeksi hamda moliya nazariyasiga oid ilmiy adabiyotlar asosida har bir soliq turining iqtisodiy ahamiyati va davlat byudjeti daromadlarini shakllantirishdagi o'rni tahlil qilinadi. Tadqiqot natijalari soliqlarni turli obyektlar asosida diversifikatsiya qilish fiskal barqarorlikni ta'minlashda muhim ekanligini ko'rsatadi.

Kalit so'zlar: soliqqa tortish, soliq tizimi, soliqqa tortish obyekti, soliqlar klassifikatsiyasi, fiskal siyosat, O'zbekiston.

Аннотация. В данной статье рассматривается классификация налогов по объекту налогообложения, а также анализируются её теоретические основы и практическое применение в налоговой системе Республики Узбекистан. В исследовании изучаются основные категории налогов, основанные на экономических объектах, таких как доход, имущество, потребление и использование природных ресурсов. На основе действующего Налогового кодекса Республики Узбекистан и научной литературы по государственным финансам оценивается экономическое значение каждой группы налогов и их роль в формировании доходов государственного бюджета.

Ключевые слова: налогообложение, налоговая система, объект налогообложения, классификация налогов, фискальная политика, Узбекистан.

INTRODUCTION

Taxation plays a central role in the functioning of modern economies as it provides the financial foundation for government activities and public services. The structure of a tax system depends largely on the principles used to classify and organize different types of taxes. One of the most widely used classifications in public finance theory is the grouping of taxes according to the object of taxation, which refers to the economic base or activity that is subject to tax liability. The object of taxation may include income earned by individuals or businesses, ownership of property and assets, consumption of goods and services, or the exploitation of natural resources. Each of these economic bases reflects different aspects of economic activity and therefore requires distinct taxation mechanisms. This classification is important not only from a theoretical perspective but also for practical fiscal policy design, as it allows governments to diversify revenue sources and distribute the tax burden across various sectors of the economy.



In the Republic of Uzbekistan, the legal framework regulating taxation is established by the national Tax Code, which defines the types of taxes, tax bases, rates, and administrative procedures. The current tax system includes several major taxes such as corporate income tax, personal income tax, value added tax, property tax, land tax, social tax, excise tax, and taxes on the use of natural resources. For example, the personal income tax in Uzbekistan is generally levied at a rate of 12 % on most types of individual income, including wages, rental income, and capital gains. In addition, value added tax is applied to the sale of goods, works, and services with a standard rate of 12 %. These taxes demonstrate how the Uzbek tax system targets different economic objects such as income and consumption.

The purpose of this research is to analyze the theoretical foundations and practical implementation of tax classification according to the object of taxation, with a particular focus on Uzbekistan's current fiscal system. The study seeks to explain how such classification contributes to economic regulation, revenue generation, and fiscal stability.

LITERATURE REVIEW

The classification of taxes according to the object of taxation has long been an important topic in the theory of public finance. Scholars in the field of fiscal economics emphasize that the effectiveness of a tax system largely depends on how taxes are structured and distributed across different economic bases. One of the classical contributors to taxation theory is Adam Smith, who in his book *The Wealth of Nations* formulated the fundamental principles of taxation such as equity, certainty, convenience, and efficiency. Smith argued that taxes should be designed in a way that corresponds to the economic capacity of taxpayers and should be distributed fairly among members of society. Although Smith did not provide a detailed modern classification of taxes, his theoretical framework laid the foundation for later tax classifications based on income, property, and consumption.

Later developments in public finance theory were significantly influenced by economists such as Richard Musgrave. In his well-known work *The Theory of Public Finance*, Musgrave explained that taxation performs several important functions including fiscal, distributive, and regulatory roles. According to Musgrave, the classification of taxes according to their economic base helps governments maintain fiscal balance while influencing economic behavior through tax policy. Modern scholars such as Joseph Stiglitz have further developed the theoretical framework of taxation. In the book *Economics of the Public Sector*, Stiglitz explains that different tax bases such as income, consumption, and wealth have distinct economic effects. Income taxes may influence labor supply and investment decisions, while consumption taxes are often more stable sources of government revenue. Property taxes, on the other hand, are considered efficient tools for financing local government expenditures.

Within the context of Uzbekistan, the structure of taxation and the classification of taxes are regulated by the national legislation, particularly the Tax Code of the Republic of Uzbekistan. This legal document defines the types of taxes, their objects of taxation, tax bases, and the procedures for tax administration. The tax system includes major taxes such as corporate income tax, personal income tax, value added tax, property tax, land tax, social tax, and taxes on the use of natural resources. Uzbek economists and researchers have also examined the development of the national tax system and its classification principles. Their studies highlight the importance of diversifying tax sources and ensuring that different economic objects—income, property, consumption, and natural resources—are appropriately taxed. This approach contributes to fiscal stability, economic growth, and the effective functioning of the public finance system.

METHODOLOGY

This research is based on a qualitative analytical approach combining legal analysis, economic theory, and comparative review of scholarly literature. The primary methodological framework involves examining the classification of taxes through the lens of public finance theory and evaluating its application within the Uzbek taxation system.



The legal analysis focuses on the provisions of the current Tax Code of the Republic of Uzbekistan, which establishes the types of taxes and defines their objects, tax bases, and calculation procedures. These legal norms provide the institutional foundation for understanding how taxation operates in practice.

In addition to legislative sources, the study relies on academic literature in the fields of public finance, fiscal economics, and tax policy. Such literature provides theoretical explanations of tax classification and highlights the economic rationale behind different forms of taxation.

Statistical and analytical materials concerning Uzbekistan's tax system were also examined to identify the practical significance of each group of taxes and their role in public revenue formation. Through this approach, the research integrates theoretical perspectives with empirical observations from the national tax system.

RESULTS

The analysis shows that taxes can be systematically classified according to the object of taxation into several major categories. These categories correspond to different forms of economic activity and property relations within the economy.

One of the primary groups consists of taxes on income and profit. These taxes are levied on the financial results of economic activity, including wages, business profits, dividends, and other forms of income. In Uzbekistan, this category includes personal income tax and corporate income tax. Personal income tax is applied to various forms of individual earnings, while corporate income tax is imposed on the profits of legal entities. Such taxes reflect the principle of taxation according to the taxpayer's ability to pay and play a key role in redistributing income within society. Another important group includes taxes on property and assets. The object of taxation in this case is the ownership or possession of tangible assets such as land, buildings, and infrastructure. Uzbekistan applies property tax to real estate owned by individuals and companies, while land tax is imposed on land plots used for agricultural, residential, or commercial purposes. Property taxes provide stable revenue sources for public budgets and encourage the efficient use of economic resources.

A separate category consists of taxes on consumption and economic transactions. These taxes arise during the exchange of goods and services and are usually included in the final price paid by consumers. Value added tax and excise taxes belong to this group. The value added tax is applied to the sale of goods and services throughout the production and distribution chain, while excise taxes are imposed on specific products such as alcohol, tobacco, and certain luxury goods. These taxes are important because they generate significant government revenue and are relatively easy to administer.

The final major category includes taxes on the use of natural resources. In countries rich in natural resources, taxation of resource extraction represents a significant fiscal instrument. Uzbekistan applies taxes such as the subsoil use tax and water resource use tax, which are imposed on the extraction of minerals and the use of water resources. These taxes serve both fiscal and regulatory purposes, as they encourage rational use of natural resources and support environmental sustainability.

DISCUSSION

The classification of taxes according to the object of taxation reflects the multidimensional nature of economic activity. Each group of taxes corresponds to a particular stage of the economic cycle: income generation, property ownership, consumption, and resource utilization. This structure allows governments to create a balanced and diversified system of public revenues. Income taxes play a crucial role in ensuring vertical equity within the tax system. By taxing income and profit, governments can adjust the distribution of economic resources and finance social programs. However, excessive reliance on income taxation may discourage investment and entrepreneurial activity if tax rates become too high.



Property taxes, in contrast, are considered relatively stable and predictable sources of revenue because property ownership does not fluctuate significantly over time. These taxes are often associated with local government financing and infrastructure development. At the same time, property valuation and administration may create challenges for tax authorities. Consumption taxes such as value added tax are widely used across the world because they generate large and stable fiscal revenues. In Uzbekistan, the value added tax is one of the central components of the tax system. Nevertheless, consumption taxes may have regressive effects, as lower-income households tend to spend a larger share of their income on consumption.

Resource-based taxes are particularly important for countries with significant natural resources. By taxing extraction activities, governments can capture part of the economic rent generated from natural wealth and invest it in national development. However, the design of such taxes must balance fiscal interests with the need to attract investment in resource sectors. Overall, the Uzbek tax system demonstrates a diversified structure in which various taxes correspond to different objects of taxation. This diversification contributes to fiscal stability and reduces dependence on a single revenue source.

CONCLUSION

The classification of taxes according to the object of taxation provides a comprehensive framework for understanding the structure and economic functions of a national tax system. By distinguishing between taxes on income, property, consumption, and natural resources, policymakers can design a balanced fiscal system that distributes the tax burden across different sectors of economic activity. The analysis of Uzbekistan's tax system shows that this theoretical classification is reflected in practice through a variety of taxes established by the Tax Code. Personal and corporate income taxes target income and profit; property and land taxes focus on asset ownership; value added tax and excise taxes apply to consumption; and resource-related taxes regulate the use of natural resources.

Such a diversified system not only ensures stable government revenues but also enables the state to influence economic development, encourage efficient resource use, and maintain social equity. Future reforms in the tax system should therefore continue to rely on the principle of balanced taxation across different economic objects while improving tax administration and transparency.

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