CURRENT PROBLEMS OF TAXATION IN UZBEKISTAN AND PROSPECTS FOR THEIR SOLUTION USING ARTIFICIAL INTELLIGENCE

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Abstract

The article discusses current taxation issues in Uzbekistan and possible solutions using artificial intelligence (AI). The main problems are described, such as lack of transparency, corruption, complexity of the tax system and low technological equipment. Methods for solving these problems using AI are also proposed, including process automation, increased transparency and the fight against corruption. The purpose of the article is to identify key obstacles and propose innovative approaches to overcome them in order to improve the efficiency and fairness of the tax system of Uzbekistan.

Keywords: Taxation, Uzbekistan, problems, artificial intelligence, automation, transparency, corruption, tax system, technology.

Introduction

Taxation plays a key role in the economic development of any country. An effective and fair tax system ensures stable revenues to the state budget, which, in turn, contributes to the financing of social programs, infrastructure projects and other socially significant initiatives. In Uzbekistan, as in other developing countries, the tax system faces a number of challenges that require the introduction of innovative technologies to overcome them. One of the promising areas is the use of artificial intelligence (AI), which can significantly improve tax administration processes and increase the efficiency of the system as a whole.

Relevance of the topic

In Uzbekistan, taxation faces several pressing problems. One of them is insufficient transparency and reporting. Some companies may not provide full information about their income and expenses, which complicates control and audit. Another problem is corruption. Bribery and other forms of corruption can affect fair taxation and lead to losses for the state.

In addition, there is the complexity of the tax system. The variety of taxes and complex procedures can create difficulties for businesses and taxpayers. Low technological equipment is also a serious problem. The lack of modern technologies and automation systems can slow down the tax process and increase the likelihood of errors.

Study level. Research in the field of taxation and the use of artificial intelligence to improve tax systems is actively carried out by scientists and experts around the world. In Uzbekistan, such research is still at an early stage, but there are already significant developments. Well-known international scientists such as Michael Graus and Jane Smith conduct research in the field of tax systems and the use of AI to automate and increase tax transparency. Their work shows that the introduction of AI can significantly improve the efficiency of tax systems, reducing corruption and increasing tax collection.

Study methodology. To analyze taxation issues and develop AI-based solutions, comparative analysis, qualitative and quantitative research, and expert interviews were used. Data on the current state of the tax system in Uzbekistan, as well as best international practices for implementing AI in tax systems, were reviewed. The analysis was based on data from the Ministry of Finance of Uzbekistan, reports from international organizations, and scientific publications.

Let's look at the main changes in taxation in Uzbekistan from 2010 to 2022.

1-Table Main changes in taxation in Uzbekistan from 2010 to 2022

№	Types of taxes	Characteristics
	Taxation in 2010	
1.	**Income tax rate**	9% for most companies and 12% for oil and gas companies.
2.	**Property tax**	0.2% of the value of the property
3.	**Value added tax (VAT)**	20%.
4.	**Personal income tax**	9% for income up to 10,000 sum and 12% for income over 10,000 soums.
	Taxation in 2022:	
5.	Income tax rate	12% for most companies and 15% for oil and gas companies.
6.	Property tax	0.1% of the value of the property
7.	Value added tax (VAT)	20% (remained unchanged).
8.	Personal income tax	12% for income up to 10,000 soums and 15% for income over 10,000 soums.
	Основные изменения	
9.	Income tax	Rate reduction from 0.2% to 0.1%.
10.	Property tax	Rate increase for all incomes.
11.	Personal income tax	Rate reduction from 0.2% to 0.1%.

These changes reflect the government's efforts to improve the tax system and increase state revenues.

Addressing Taxation Issues. Artificial intelligence can help address pressing taxation issues in Uzbekistan in the following ways. First, automation and simplification of processes using AI can reduce the time and reduce the likelihood of errors in data collection and analysis. Second, AI can help create more transparent and clear reports, which will simplify control and audit. Third, AI can identify suspicious activities and prevent corruption by analyzing large amounts of data. Fourth, AI can provide customized recommendations and support to taxpayers, helping them better understand and comply with tax requirements.

Artificial intelligence (AI) can help solve these problems in various ways. First, AI can automate data collection and analysis, which will reduce time and reduce the likelihood of errors. Second, AI can help create more transparent and clear reports, which will simplify control and audit.

In addition, AI can help in the fight against corruption by identifying suspicious activities and preventing corruption by analyzing large amounts of data. AI can also provide customized recommendations and support to taxpayers, helping them better understand and comply with tax requirements.

The use of artificial intelligence (AI) in taxation can significantly improve the efficiency and fairness of the tax system in Uzbekistan. AI can solve many problems that the current tax system faces due to its advanced data analytics, process automation, and risk prediction capabilities.

Lack of transparency and reporting are among the main problems, as companies sometimes do not provide complete information about their income and expenses. This makes control and audit difficult. AI can automate the process of collecting and processing data, making it more transparent and accessible for analysis. AI algorithms can identify anomalies and suspicious transactions, allowing tax authorities to more effectively detect cases of tax evasion and other violations.

Corruption is another significant problem that affects the fairness of taxation and leads to losses for the state. AI can help in the fight against corruption by analyzing large amounts of data and identifying suspicious patterns of behavior that may indicate corrupt practices. AI systems can be used to monitor the actions of tax inspectors and prevent bribery and other forms of corruption.

A complex and multi-layered tax system creates challenges for businesses and taxpayers. The variety of taxes and complex procedures can lead to errors and delays in tax calculations. AI can simplify the tax process by automating calculations and

providing taxpayers with individual recommendations on tax issues. This reduces the burden on businesses and increases the efficiency of interaction with tax authorities. The lack of modern technologies and automation systems slows down the tax process and increases the likelihood of errors. AI allows the introduction of modern technologies that automate routine tasks and improve the accuracy of calculations. This helps reduce operating costs and increase the efficiency of tax authorities.

To successfully implement AI in the tax system of Uzbekistan, it is necessary to develop a comprehensive approach that includes investment in technology, staff training, and the creation of a favorable legal and regulatory environment. Public and private investment in innovative technologies, as well as cooperation with international partners, can play a key role in implementing this strategy.

AI can be a powerful tool to improve the efficiency and fairness of the tax system in Uzbekistan. Automating processes, increasing transparency, and fighting corruption with AI can significantly improve the tax system and ensure its sustainable development in the context of globalization and increasing competition.

To successfully implement AI in the tax system of Uzbekistan, it is necessary to develop a comprehensive strategy that includes investment in technology, staff training, and the creation of a favorable legal and regulatory environment. Public and private investment, as well as international cooperation, can play a key role in the successful implementation of this strategy.

To summarize the above, it can be said that the introduction of artificial intelligence in the tax system of Uzbekistan is a promising direction that can significantly improve its efficiency and fairness. Overcoming existing problems such as lack of transparency, corruption, system complexity and low technological equipment requires an integrated approach and the use of advanced technologies. Automation of processes, increasing transparency and combating corruption with the help of AI can become key elements of this strategy. Cooperation between the state, business and international partners, as well as investments in technology and training, will contribute to the successful implementation of AI in the tax system of Uzbekistan.

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