

OPTIMIZATION OF TAXATION: PROBLEMS AND SOLUTIONS

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The processes of formation and functioning of Russian taxation system is analyzed; specific recommendations of profit tax rates optimization are offered.

In the official taxation dictionary of Soviet Russia and also today's Russia the term "optimization" does not exist, instead its synonym "reform" is used. In economics the term "minimization" is used to indicate the same meaning. This difference leads to their free interpretation in press, public speech or research and is indicative of certain misinterpretation in our tax system.

The history of development of Russian taxation system is characterized by the fact that the introduction of any new taxes has always stimulated the tax bearer to search the possibilities of avoiding its payment.

There are generally two ways: the illegal evasion of payment of taxes involving avoiding state registration or supplying inadequate information on the activity of an enterprise; and legal optimization of taxes by minimization of tax duties through applications of tax privileges existing in the Tax Code.

Today the problem of optimization of a physical person's income taxation has risen on the agenda. Two ways were suggested: to turn to an ascending scale and to collect the taxes in the place of residence, not in the workplace of a physical person.

Thus the flat scale of physical persons' income tax implies regressive charge of unfair distribution tax duty between tax bearers with low and high level of income. It turns out that the flat scale was introduced not for the sake of people, but for the well-being of the budget.

It is difficult to agree with those who suggest establishing the taxable scale of income in some millions of rubles with high tax rates of 20-30 %. At the same time in all these rec-

ommendations the same rational grain-rate of 13 % is put as though it's aimed to capture the greatest quantity of tax bearers with high income, which should facilitate the tax burden for low-income tax bearers.

It is known that the Tax Code of the Russian Federation provides a system of standard, social, property and professional tax deductions.

Our offer of optimization of physical persons' income taxation is based on the expansion of the social deductions concerning not only individual citizens of Russia, but the majority of the population, which is today below the bread-line. Their essence is in introduction of a technique of establishing tax deductions with the help of a free indicator of the tax bearer income level: the physical person with lowest monthly income uses the deduction in the full sum. For the physical person with monthly income from a minimum wage to the average wage in the region - 50%.

The advantage of our offer on optimization of physical persons' income taxation consists in preservation of the existing flat scale of taxes that is without radical change to the system, it introduces the principle of "The rich should pay more taxes, than the poor".

We also consider that it can help improve the modern theory of Russian system of taxation regarding the strengthening of its social orientation.

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