

THE WAYS OF IMPROVING THE RENDERING OF ELECTRONIC STATE SERVICES TO TAXPAYERS

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Abstract: The article is devoted to researching the action undertaken to create and develop e-government system in the Republic of Uzbekistan. Moreover, it considers the improvement of distance relation forms between State Tax Committee and citizens, businesses, other branches of the state power. The proposals to expand the capabilities of the system of electronic public services to taxpayers have been made on the basis of the analysis. In addition, the article presents the possibilities of the portal of electronic public services of the State tax service and practical recommendations on its improvement.

Keywords: Electronic government; interactive public service, information public service; tax system; tax administration; information and communication technologies; taxpayer; personal cabinet; individuals; legal entities; single integrated information resource base of the tax authorities.

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Introduction

In the Strategy of actions on five priority directions of development of the Republic of Uzbekistan in 2017-2021 special attention is paid to the issues of further improvement of the quality and efficiency of public services as well as further development of e-government system [1].

In order to implement this Strategy of actions on five priority directions of development of the Republic of Uzbekistan in 2017-2021, the Concept of administrative reform in the Republic of Uzbekistan, as well as to ensure the transition of the national system of rendering public services to a qualitatively new level, one of the most important directions of radical reform of the national system of rendering state services have become the accelerated introduction of innovative solutions as well as information and communication technologies into this area, further integration of the data of state bodies and other organizations into a unified information resource database, expansion of the practice of rendering public services through the Single portal of interactive state services [2].

The relevance of the topic lies in the fact that in the conditions of intensive development of information and communication technologies and globalization processes, innovations and information have been playing an essential role as the main productive resources of the modern world. Developed countries concentrate their efforts on creation, application and dissemination of new technologies and innovations in various spheres of life, in particular, in the field of public administration. Other countries also strive to integrate into the objective process of the formation and development of the global economic and political space. Therefore the formation of a developed information infrastructure becomes the main condition for the advancement to the information society.

In this regard, almost all developed countries and many developing countries have begun to develop and implement national programs for the formation of the information society, where establishment of electronic governments, improvement of information and communication technologies and society confidence in them have been in priority.

The significance of the electronic interactive services provided by the state tax service is that it leads to the decrease of contacts between tax service employees and taxpayers and a reduction in

associated costs, also it increases the transparency and efficiency of performance of the tax authorities' functions in providing public services [3].

Literature review

Issues of simplifying tax administration and reducing tax burden on business entities are at the center of constant attention of the leadership of Uzbekistan. Thus, according to the Decree of the President of the Republic of Uzbekistan of July 18, 2017 No. UP-5116 " On measures to radically improvement of tax administration, raising collection of taxes and other mandatory payments " as the first most important direction of the tax system reform has been determined the widespread introduction of modern information and communication technologies in the process of tax administration, a complete transition to contactless electronic servicing of taxpayers, primarily business entities [4].

Our country has long and consistently implemented information and communication technologies to provide interactive public services to individuals and legal entities through websites of state bodies and Governmental portal of the Republic of Uzbekistan [5].

The basis for introducing interactive services was Resolution of the Cabinet of Ministers of the Republic of Uzbekistan of August 23, 2007 No. 181 "On measures to further improve the interaction of state and economic management bodies, local authorities with legal entities and individuals by using information and communication technologies" under which were approved the Regulation on interactive state services by means of information and communication technologies and the Register of basic interactive public services [6].

However, the prerequisites for rendering electronic state services were laws "On informatization" and "On electronic digital signature" adopted on December 11, 2003. The Law of the Republic of Uzbekistan "On informatization" was adopted to regulate relations in the field of information, use of information resources and information systems, while the Law of the Republic of Uzbekistan "On electronic digital signature" was adopted to regulate relations in the use of electronic digital signature.

The Resolution of the President of the Republic of Uzbekistan dated October 30, 2012 No. 1843 "On measures to further improve the efficiency of information and communication system of the state tax service of the Republic of Uzbekistan " is of great importance in improving the quality of public services rendered by the State Tax Service to taxpayers under which a single integrated information resource base of the tax authorities was formed. In addition, in this resolution is noted improvement the organization of the provision of a wide range of interactive services to taxpayers in real time [7].

On June 27, 2013, the Resolution of the President of the Republic of Uzbekistan No. PP-1989 "On measures to further development of the National information and communication system of the Republic of Uzbekistan" was adopted, on the basis of which the Comprehensive programme of National information and communication system development of the Republic of Uzbekistan for the period 2013-2020 was elaborated. The main objectives of this programme are further development and widespread introduction of modern information and communication technologies in all sectors of the economy and spheres of life, ensuring the accelerated development of information resources, systems and networks, stimulation of the expansion of the range and quality of interactive public services to business entities and population.

Comprehensive programme of National information and communication system development of the Republic of Uzbekistan for the period 2013-2020 is conditionally divided into two parts. The first part of the programme is devoted to the development of telecommunication technologies, networks and communication infrastructure in Uzbekistan, whereas the second part of the programme is aimed at creating complexes of information systems and databases of the "Electronic Government" system [8].

In the framework of the programme of e-government system development for the period to 2020, elaboration of central databases of individuals and legal entities, vehicles, real estate and others continues. Consequently, state bodies can improve mutual interaction and shorten the time for consideration citizens' and legal entities' documents and requests. Also, the creation of the data processing center for the electronic government system is being completed that will be used for

the integrated management of information resources, and will reduce costs and increase information security [9].

One of the main "visible" results of work on the development of e-government is the Single portal of interactive state services, launched in 2013. Based on the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan of December 30, 2012, No. 378 "On measures to further improve the government portal performance of the Republic of Uzbekistan on the Internet, taking into account the provision of interactive state services", the Regulation on the Single portal of interactive state services of the Republic of Uzbekistan was approved. The Single portal of interactive state services of the Republic of Uzbekistan operates within the framework of the Governmental portal of the Republic of Uzbekistan in the Internet, including the "single window" environment [10].

Another turning point in the development of the provision of public services to business entities and population has become the adoption by the President of the Republic of Uzbekistan of the Law "On Electronic Government" (No. ZRU-395) on December 9, 2015.

According to this Law e-government is defined as "a system of organizational and legal measures and technical means aimed at the support of the public authorities to provide public services to individuals and legal entities through the use of information and communication technologies, as well as interagency electronic interaction" [11].

The law defines main tasks of e-government, such as:

- ensuring the effectiveness, efficiency and transparency of the activities of government bodies;
- creation opportunities for interaction between state bodies and applicants - individuals or legal entities in the framework of e-government;
- formation of databases of state bodies within the framework of the functions assigned to them;
- introduction of the "single window" principle in the implementation of relationship with the public and entrepreneurs;

- development of electronic payments systems

The most recent normative legal acts in the sphere of development of interactive services provided to business entities and individuals by the State Tax Service are the following:

- Resolution of the Cabinet of Ministers of the Republic of Uzbekistan of June 2, 2016 No. 184 "On measures to improve the provision of electronic state services";
- Resolution of the Cabinet of Ministers of the Republic of Uzbekistan of 3 June 2016 No. 188 "On further measures to implement the Law of the Republic of Uzbekistan " On Electronic Government "
- Resolution of the Cabinet of Ministers of the Republic of Uzbekistan of September 15, 2017 No. 728 "On measures to improve the procedures of electronic state services delivery through the Single portal of interactive state services of the Republic of Uzbekistan ".

The Order of the State Tax Committee of the Republic of Uzbekistan No. 40 should also be noted, on the basis of which the following internal documents were approved:

- Regulation "On rendering interactive state and electronic services using information communication technologies by the state tax service of the Republic of Uzbekistan ";
- interactive state services of the state tax service of the Republic of Uzbekistan;
- electronic services of the state tax service of the Republic of Uzbekistan;
- register of interactive state services of the Republic of Uzbekistan.

Analysis of the efficiency of rendering electronic state services

In accordance with the requirements of modernity State Tax Committee gives consideration to improvement of the rendering of electronic public services to both business entities and public on the basis of the automation system operation, establishing the high-quality information exchange, as well as the widespread use of information and communication technologies on the tax administration [12].

In particular, according to the requirements of the Law " On Electronic government ", the quality of the rendering of public services to business entities and public is being improved through the transition to full electronic rendering of public services provided by tax authorities.

On the first May of 2016 a new portal «my.soliq.uz» was introduced to render electronic public services of the State Tax Committee, in compliance with the requests and suggestions of taxpayers as well as learning the advanced experience of foreign countries. Needless to say, that all electronic state services in this portal are divided into two groups: interactive and information public services. Nowadays there are 20 interactive and 15 information public services (Table 1)[13].

It is known that information public service is the form of electronic public services that is directed to satisfy the information needs of the applicants through the publication and other dissemination of information on the activities of the tax authority. Whereas interactive public service is an electronic public service provided to the applicant through bilateral electronic interaction between the applicant and the tax authority.

Table 1. Electronic public services of the portal my.soliq.uz

Interactive public services	Information public services
Registration of taxpayers	About tax authorities
Payment of taxes	Normative legal acts
Notice of taxation	General issues of taxation
Sending of reports of legal entities	Issues of individuals taxation
Sending reports of individual entrepreneurs	Issues of legal entities taxation
Sending tax declarations	Results of tax audits
Sending cash flow information	Providing information on taxpayers
Sending of calculations on currency proceeds	Issues related to tax debt recovery
Return of overpaid taxes	Mutual settlements with the budget
Issuance of official confirmation of residence	Issuance of electronic certificates about tax debts absence
Registration of cash registers	Issuance of certificates of belonging to small businesses
Sending requests	Extracts from the inspection schedule
Make an appointment	Insurance contributions accrued to citizens
Sending audit reports	Payment notices of individuals
Reporting of regulatory bodies	Insurance contributions accrued to individual
Sending a rationale for the tax incentives application	

Payment of employees' property and land taxes	entrepreneurs
Sending resume	
Notification of value added tax payment	
Registration of keys of electronic digital signature	

The interface of this portal is designed lightweight, simple and clear in order to create maximum comfort to find and use necessary services.

It should be noted that the portal of electronic tax services traditionally takes leading positions on the ranking of attendance and use of public bodies' web-sites that is compiled monthly by the site WWW.UZ.

According to the Law of June 13, 2017 No. 436 a new article No. 22-1 "Personal cabinet of taxpayer" was introduced into Tax Code of the Republic of Uzbekistan. Introduction of the notion of taxpayer's personal cabinet has created a legal basis of implementation almost all relations with taxpayers in electronic form.

The taxpayer's personal cabinet is an information resource posted on the official website of the State Tax Committee of the Republic of Uzbekistan, which ensures the electronic implementation of relationships related to the exercise of the rights and obligations of taxpayers and tax authorities provided by tax legislation [14].

As a result of the use of electronic digital signature and other certified cryptographic encryption facilities, this system provides protection and confidentiality of information.

Furthermore, in order to resolve all matters relating to the fulfillment of tax obligations electronically, "personal cabinet" is newly developed in a more convenient form. Now individuals, legal entities and individual entrepreneurs can take advantage of opportunities of "personal cabinet".

Nowadays there is created an option of online payment of property and land tax indebtedness of enterprises' and organizations' employees as well as payment of local taxes for the current year through personal cabinet on the portal. This payment systems are completely free of charge. In particular, from the beginning of the year to the 28th of March of 2018, taxpayers through their personal cabinets paid on electronic form 519 213,562 million sum.

Moreover, services and entrance for personal cabinets are placed in special sections depending

on categories of users, i.e., individuals, legal entities and individual entrepreneurs. It should be pointed that such categorizing facilitates finding required services and information.

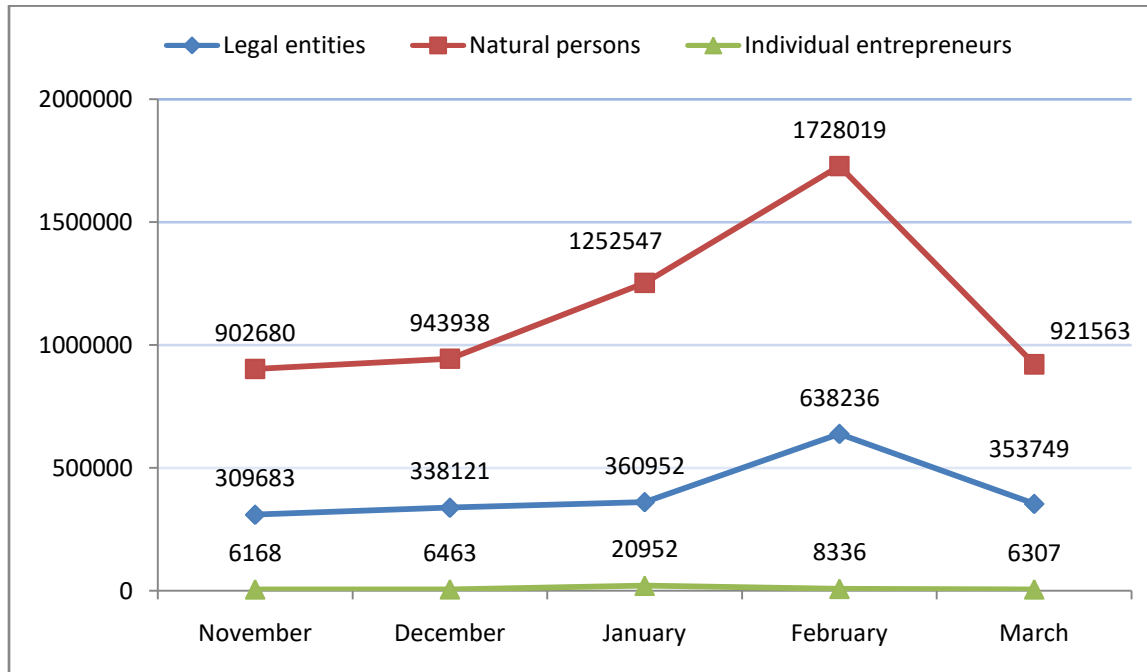


Figure1. The level of personal cabinet using, by categories of taxpayers

The figure 1 represents the number of personal cabinet users, divided into three categories during the period from November to March. As is shown by the graph, the frequency of personal cabinet use is the highest among natural persons that has not decreased the mark of 902680. Moreover, this figure has been threefold higher than for legal entities. In both these trends a steady increase can be observed that reached its peak at 1728019 for physical persons and 638236 for legal entities in February that made up, respectively, nearly 190 % and just over 200% in comparison with November level. Such a dramatic increase in February explains by the fact that legal entities have to send their annual financial reporting till 15th of February. Regarding individual entrepreneurs, the highest level of personal cabinet users is recorded in January (20952), period when they have to send quarterly financial reporting. In March the number of users constituted 6307 that consisted only 30% of January level.

Besides of independent calculation of taxes, sending reports and declarations, official explanations and obtaining 14 different types of references, there have created more than 10 new

opportunities in the new portal, such as acquaintance with the list of collection orders placed on the settlement account of the enterprise, online payment of taxes, quick notification about orders sent to the enterprise, view of insurance contributions accrued to citizens.

Another new service introduced to the portal is called “Insurance contributions accrued to citizens” where information about calculated insurance contributions for each employee by employer is represented. Due to this service individuals have an opportunity to observe and control the amount of insurance contributions accrued to them.

The portal contains an instruction separately for each service as well as the name and phone number of the tax inspector who is responsible for the rendering concrete electronic public service.

In addition, now users of the electronic public services can be aware of the stages of their appeal to the tax authorities, evaluate the quality of services, as well as send their ideas and comments directly to the State Tax Committee.

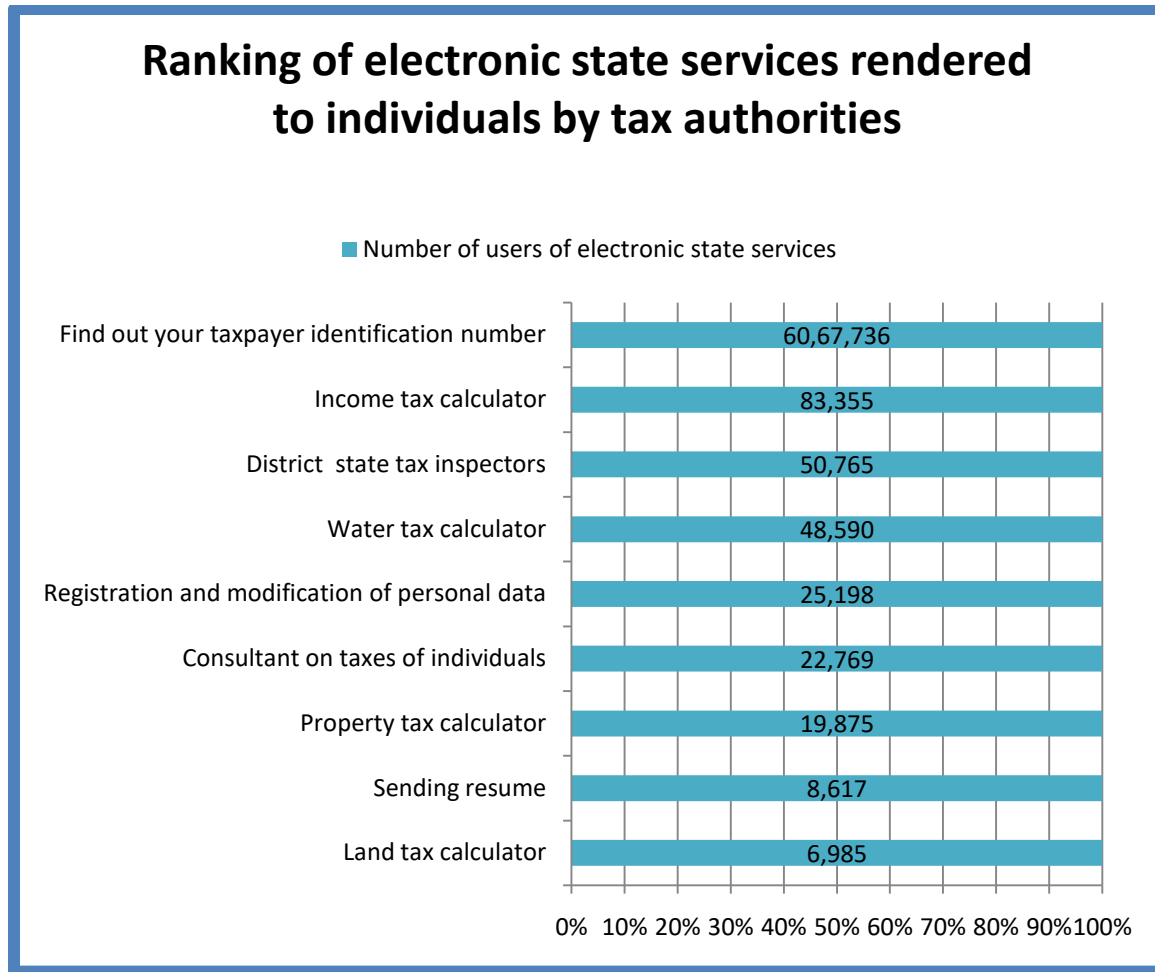


Figure 2. Ranking of electronic state services rendered to individuals by tax authorities

The Figure 2 illustrates the popularity of electronic state services of tax authority among individuals. It is apparent from the information supplied that the most popular electronic service is “Find out your taxpayer identification number” which was used by nearly 95% of the total number of users. Electronic calculators were used by 158 805 users, among which 52.5% consisted income tax, 30.6% - water tax, 12.5% - property tax and 4.4% - land tax.

Conclusion

Summing up, it should be noted that the development of the sphere of communication, information and telecommunication technologies as an important factor of enhancement of

human well-being and economic growth of the country is one of the main priorities of the state policy of Uzbekistan.

In our country great work on broadly introduction and improvement of e-government is being done. Uzbekistan intends to improve the system of state administration and increase the transparency of government bodies through e-government mechanisms. For this purpose the government sets several short-term goals, including joining the ranks of the world's 30 most developed e-government system by the United Nations' methodology of the e-government index (now Uzbekistan is on the 80th place). In addition, by 2020 Uzbekistan aims to be among the top 30 countries in the world on the World Bank's Doing Business Index (now the republic is on the 74th place) [15].

Uzbekistan in the United Nations E-Government Survey 2016: E-Government in Support of Sustainable Development was among the top ten countries that significantly improved the functioning of e-government and, consequently, it moved from a group of countries with an average e-government development index to a group with a high index [16].

The E-Government Development Index (EGDI) of Uzbekistan was 0.5434 that is above the world average of 0.4922. For comparison: this index constituted 0.9193 at the rating leader of the UK, 0.8915 - at the leader in the Asian region of South Korea, and 0.7250 - at the leader in the Central Asian region of Kazakhstan.

This index is formed from three subindexes: the index of online services, the index of telecommunication infrastructure and the index of human capital. For Uzbekistan they were respectively, 0.6884 (the world average index is 0.4623), 0.2463 (0.3711) and 0.6954 (0.6432).

According to the second main indicator of the Survey - the E-Participation Index (EPART) Uzbekistan improved own position by 24 points, rising from 71 to 47th place. Uzbekistan was on the first place in the Central Asian region with an index of 0.6780 whereas an average world index consisted only 0.4625. The e-participation index in the UK was 1.000, in the regional leader of Japan - 0.9830.

Increasing the e-participation rating of Uzbekistan was facilitated, among other things, by an increase in the indicator "electronic consultations" from 18% to 58% and improvement of the "electronic information" indicator.

For the effective functioning and further development of electronic state services, together with the creation of optimal conditions and the simplification of their use, an important role is played by the experiences of foreign countries.

The study of foreign experience in the sphere of effective state services rendering to population and legal entities points to some conclusions that can be used to further improve the provision of interactive services by the State Tax Service:

1. The need to develop a register and categorize state services, which allows:

- to record results of state services inventory and to classify them;
- to identify fictitious and redundant state services;
- to optimize the composition of complex services;
- to block the appearance of administrative barriers.

2. The need to create an accessible information and communication infrastructure for the population. It is necessary to extend the network of information and communication technologies throughout the country, reduce tariffs for Internet network users, and equip public and educational institutions with computer technology and Internet access.

3. It is necessary to develop an efficient and effective electronic document flow between tax authorities and other state bodies, as well as business entities.

4. Training of public officials who render electronic services to the population. Training should become one of the main tools for introducing innovations in the administrative system and contribute to changing the organizational culture and mentality of officials.

In general, it is considered expediently to perform the following works for formation of electronic relations aimed at creating a favorable business climate:

providing analysis of the main reasons of the emergence of bureaucratic obstacles, waste of time and a high level of financial costs in the rendering of electronic public services;

elaboration of measures to improve the rendering of electronic public services, taking into account the needs and wishes of users;

establishment of permanent strict control over the qualitative improvement of the order of rendering electronic public services;

improvement of the quality and types of electronic services provided through the expansion of electronic information exchange systems with government and management bodies.

In conclusion, it can be claimed that development of remote forms of bilateral relations between tax authorities and taxpayers, further improvement of the system of using electronic public services of tax authorities through various Internet resources, improvement of the business environment conditions and the formation of a favorable business climate will, undoubtedly, serve as an essential factor in ensuring economic growth of the country.

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