

PROBLEM OF TAX PLANNING IN ENTERPRISES

Armenian State University of Economics

ASHOT MATEVOSYAN

Dean, accounting and auditing, Doctor of Economic Sciences,

Assistant of the department of “Finance and Loan”

of Financial Academy

MANE MATEVOSYAN

Taxation issues and the direction of its impact on the efficiency of financial and economic activities of companies are one of the most relevant in the modern Russian financial management. From the point of view of the whole process of taxation of business entities mediated emergence and change in tax relations. Predict the emergence of such tax issues, as well as the resulting tax base, tax expenditures must be to the transactions. Tax planning reduces the uncertainty of future tax expense of economic agents and the degree of adaptation to the aggressive environment.

Tax planning will inevitably appear in the life of any entrepreneur or businessman, as he understands that in the world there is not only the revenue and income, but the tax burden, often in the face of a tax inspector.

In the literature there are various definitions of tax planning. For example, the O.A. Fomina in the article “International experience of tax planning” gives the following definition: “the use of taxpayer funds permitted by applicable law, methods and techniques in order to minimize their tax liabilities is called tax planning”¹.

The essence of tax planning is not limited to minimize the tax burden, but also to avoid any problems with the tax authorities and penalties. Tax planning and tax optimization has nothing to do with tax evasion, no direct reduction in tax payments. In practice, they are shown to reduce the taxable income and tax payments competent planning allowing for the economic activities of a company.

¹ Fomina O.A., Foreign experience of tax planning // Tax Bulletin. - 1997. - № 5.-p. 82

Some authors investigating the problem of reducing the size of the legal tax payments, operated with the terms “tax minimization” and “tax maneuvering.”¹

Dictionary of Business Terms of Jack Friedman, published by Barron “s Educational Series, Inc., Tax planning defines as” a systematic analysis of various tax options in order to minimize tax liabilities for the current and future periods. How to take statements, and when to sell assets to pay pensions, when to receive income and pay expenses when and in what amount to make gifts and buy property – all this are tax planning examples. “

Both foreign and domestic researchers are at tax planning, first of all, the activities aimed at reducing the tax payments.

Tax planning is designed to not only and not so much to reduce the tax deductions of the company, although the tax optimization portfolio and it is an important function as a regulator of becoming along with a marketing plan and manufacturing process of enterprise management, for tax minimization and optimization portfolio does not always meet the strategic needs of the economic subject, the latter is sometimes advantageous not to lower its tax base due to various reasons and political reasons, and if an investment plan for the entity does not provide for reducing tax expenditures, from small business organizations, referred to the payment of tax on imputed income, it is unlikely there is a need to develop schemes to reduce taxation.

Waiver of tax minimization in these cases does not mean rejection of the use of tax planning, by contrast, tax planning continues to be one of the main types of general economic planning. Thus, tax planning is a process of integration, which consists of arranging the business activities in accordance with applicable tax laws and the development strategy of the company.

With substantial and procedural position of tax planning, like any other human activity that consists of multiple heterogeneous in nature and designed to play a special role in planning stages. Gradation of the tax

1 Sutyryn S. F., Pogorletsky A.I., Taxes and tax planning in the world economy. - Saint-Petersburg.: Polius, 1998. 577 p.

planning based on specific characteristics of various procedures applied scientific apparatus, logical coherence and consistency, the subjective and the objective of certain consolidated stages, is of great theoretical and practical significance. From a theoretical point of view, unbundled tax planning as an integrated activity in the individual components allows most fully explore the structure of the economic category, through the use of inductive logic device, as well as to show the place of tax planning in a complex economy-wide business planning, because, given the broad scope and impact of activities related to tax planning in enterprise management system, the detection methodology, operational and tax planning policy ties with other types of management is only possible to analyze the interaction of separate institutions planning among themselves, without regard to their synergistic component. In practice, the gradual decomposition of tax planning is intended to give the sequence of operations, to define a clear organizational structure, implementing and responsible for implementation of various fiscal measures, and to exercise control over the implementation of managerial decision making.

When describing the process of tax planning in industry is different to approach and determine the structural elements.

Plenty of opportunities to reduce the tax burden which provides entrepreneurs and the state itself. Flexible tax rate, tax breaks for their skillful use can significantly increase the financial resources of the company after payment of all statutory taxes.

Minimizing the tax should not be an end in itself - the usage in tax planning is ultimately to increase the profits of the enterprise, which is the measure of the quality of the company.

Denote enough to start an abstract methodology of tax optimization, which has not taken into account the specifics of a particular company. Thus, to construct a system of tax optimization is necessary:

- Examine all aspects of the activity, to analyze the strengths and weaknesses of business processes as well as possible ways to implement tax planning,
- Considering that the activities of Russian companies is regulated in addition to the tax laws of the industry (customs - for exporters and for

importers, and antitrust - for large organizations),

- To work and prepare personnel document in tax issues (check all the names, numbers, figures, data counterparties). Sometimes the tiniest mistake attracts attention of the tax. In case of the one-time business transactions it is necessary to emphasize,
- Proper design of accounting policies of the organization.

For tax planning should mean the sum of steps to build financial assets, including through a clear and effective work in regulating the volume in certain activities and, therefore, approach to the structure of taxable income. Effective solutions to provide payments to the budgets of all levels so that the representatives of the fiscal authorities will be another reason to offer you the money back (in terms of deductions and refunds). In addition, detailed planning is not necessary to carry out after the implementation of any business operations or after the tax period, and in the planning stages, for example, deals.

It is best to approach the realization of strategy of tax planning at least to sign documents with contractors. In this case, at the time of conclusion of the contract, you should be already known, to what extent and on what specific points of the Tax Code of the Republic of Armenia will have to pay in future.

Sometimes turns in tax planning, tax evasion is converted into an activity, regulated by the Criminal Code.

Meanwhile, the distinction between planning and tax evasion defined objectives and is so thin that it is difficult is determined by the control authorities. Such situations should be avoided. Because the tax savings accompanies economic result, the tax consequences should be defined and calculated starting from the form of the transaction. However, if the taxpayer did not act in order to achieve economic results, but only in order to reduce the volume or types of transaction falls under the tax payment, this would indicate a discrepancy transaction law.

The deal, which gives the tax its advantages, but is not designed to achieve the specific business purpose, it may be challenged and subsequently invalidated. In addition, the tax savings should not be recognized only essential of the transaction.

Tax planning involves several steps:

- Determination of the basic principles;
- Analysis of the problems and objectives;
- Determination of the basic tools;
- The creation of a plan or scheme;
- Implementation of financial-economic activity in accordance

with the planned scheme.

Thus, based on the need to combine appropriate and non-abusive use of tax planning, its basic principles should be defined as follows:

- Compliance with the applicable legislation in the implementation of tax planning;
- Reduction of total tax liabilities of the organization as a result of tax planning tools;
- The creative use of all the features and principles, giving the legislation, and tools available to your organization, in the implementation of a particular transaction. In turn, they will achieve tax savings at a higher rate than the costs associated with their use;
- Planning of several alternatives to the optimal allocation of a particular situation;
- Taking into account the possibility and probability adjustment selected methods for the early registration of potential changes to the existing legislation, the certain buffer force majeure, which can be used or interpreted to the detriment of companies using a particular scheduling scheme previously tried and tested;
- Clarity and economic feasibility of the scheme as a whole, and any and all of its component parts.

One of the stages of tax planning is to analyze tax problems of the organization and formulation of the problem in order to address that in future, should be designed tools and schemes in relation to features of the organization's financial and economic activities.

For this purpose, you must first specify the list and the potential pool of taxes, which in future should pay their rates, the size, dispense among the budgets of various levels and tax credits, and other possible characteristics. Be sure also to analyze the system of contractual relations, and

common business situations, identify and assess the amount of tax liability in the current economic conditions.

In solving problems of tax planning can be the process step by step:

- The formation of the company-tax field - range of major taxes to be paid by enterprises, their specific rates and benefits. The parameters of the tax field are set in status on a basis of its Charter and in accordance with the Tax Code and other federal laws;
- The formation of contractual relations, defined on the basis of the Civil Code, which examines a set of agreements under which the interaction with customers and suppliers, with debtors and creditors or other parties in the transaction or contractual relationship. The treaty relationship is tailored to the previously formed tax field;
- Selection of typical business transactions (based on a preliminary analysis of operations and the expected results of the selected typical business transactions and activities that the company is to carry out in their daily practice or occasion);
- Allocation and regulation of the different economic situations, which are determined by the real economic situation, covered by a variety of aspects of economic life, and sold in several comparative options in the future, as soon as possible to be able to fix implemented tax planning strategies;
- Pre-selection of the optimal variant of economic situations where up early comprehensive study of the situation in the end made a preliminary selection of optimal financial result and the total tax payment options;
- A comparative analysis of situations and decision-making, computational modeling of business situations and the implementation of their adjusted comparisons. In addition, a variety of situations compared to obtain the financial results, tax payments and possible losses caused by penalties and other sanctions.

Tax planning tools are tax incentives, special tax treatment, preference tax zones in Armenia abroad agreement on avoidance of double taxation. Allow to be practically implemented under the laws of the most beneficial form of the standpoint of the tax consequences arising in the environment.

The main and most common tools of tax planning are:

- Provide by the tax laws and industry tax incentives;
- Optimal, from the standpoint of tax consequences form contractual relationships with respect to ongoing activities of a business;
- The price of the transaction;
- Differentiation of tax rates by type of tax;
- Special tax regimes and tax systems;
- Benefits provided to avoid double taxation and other international treaties and agreements, including with countries that are attributable to the number of off-shore;
- Methods for the determination of the tax base on specific taxes.

In preparation for the tax planning is necessary to analyze the principles of recognition of expenses for taxation. So the taxpayer must prove the validity of not only their costs but also their quantification. We must remember: the evidence is necessary to form the basis of the positive effect of expenses incurred for the production and financial results. At the same time reasonably incurred costs directly linked to the adequacy of the cost of their monetary value.