
Planning of Tax Payments as a Factor of Economic Growth

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Abstract:

Planning of tax payments serves the backbone for forming a forecast of the social and economic development of the state, its subjects and municipalities for the long and medium term. This process covers planning of tax payments in the context of federal, regional and local budgets and allows forming sound macroeconomic indicators.

The objective of the research is to study the theoretical foundations of planning tax payments, as well as to identify problems and justify possible ways to solve them for strengthening economic growth.

Meanwhile, there are certain problems in the system of tax payments planning, their solution being important for the country's economy and upholding the sustainable development of financial security. The lack of knowledge of the basics of tax payments planning makes the topic of the research highly important and relevant.

The scientific novelty of the research consists in the development of scientific and methodological recommendations for improving the system of planning tax payments to increase economic growth.

The material studied revealed problems in the field of the research related to tax legislation, unreliable information, low financial security of sub-federal budgets, tax evasion and fees evasion. To solve these problems, it is necessary to improve the institute of tax planning payments to the budget system.

Keywords: *Planning of tax payments, budget system, tax policy, tax revenues.*

JEL Classification Codes: *E62, E63, G01, O23, H21, H26, H61.*

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1. Introduction

Planning of tax payments is traditionally viewed both at the macroeconomic and microeconomic level. When planning tax payments at the macroeconomic level, the state or municipal authorities represented by their authorized departments and structures act as an economic entity. In turn, when planning tax payments at the microeconomic level, a definite economic entity acts as an economic entity. The relevance of the issue of planning tax payments of economic entities is conditioned by a quite understandable desire of taxpayers to reduce the tax burden, on the one hand, and the state's efforts to prevent this desire to increase tax revenues of the budgets in terms of the budget system, on the other hand.

Planning of tax payments at the macroeconomic level serves the basis for making a forecast of the social and economic development of the state, its subjects and municipalities for the long and medium term. Such planning is aimed at economically sound budgets drafting for the budget system of the Russian Federation. This process covers the scope of planning in the context of federal, regional and local budgets.

The tax component in the budgets of the budget system of the Russian Federation occupies the largest part of all revenues. Therefore, any violations in the mobilization of the planned volumes of tax payments, primarily federal ones, may adversely affect the economy of the whole country, since there will be direct problems with the financing of expenditure budgets.

A number of works are devoted to this problem. However, the knowledge of the basics of planning tax payments in Russian and foreign tax practice shows that this topic has been insufficiently studied and is imperfect.

2. The content of the studied issue

The current tax practice shows that the budget-forming taxes are: a value added tax, a mineral extraction tax, a personal income tax, a corporate income tax. Thus, the successful development of the Russian economy, its social sphere depends on the tax policy implemented at all levels of government.

At the same time, the conducted analysis confirms that, at the regional level, budgets in separate subjects (most of them) are highly dependent on financial assistance from the federal budget (Aguzarova and Khokhueva, 2014). This circumstance was due to the fact that tax revenues assigned to the budgets of the regions on a permanent basis are not sufficient to cover the costs. The main reason is incorrectly established directions of tax and budget policy in relation to the regions. This means fixing the main tax payments for the federal budget and further transfer them in the form of transfers, subsidies, donations, subventions to the budgets of subjects. It also entails the establishment of unreasonable expenditure commitments to the regions.

The priority task of the tax policy should be ensuring financial self-sufficiency and independence to the regions primarily with the help of tax revenues. This requires clear identification of what measures need to be taken for the tax system to conduct its tactical, strategic and operational tasks in the best possible way.

3. Stages of tax payments planning

When solving the main tasks in the course of tax payments planning at the macroeconomic level, 3 stages can be distinguished: forecasting tax payments; tax payments planning; execution and control of planned figures realization (Biryukova and Osipova, 2018).

The stage of forecasting tax payments is the main element that ensures the accuracy, objectivity and performance of further decisions and established tasks. In the context of this stage, the forecasting of the main macroeconomic and socio-economic indicators of economic development is conducted. These indicators include: gross domestic product (GDP); gross national product and net national product (GNP and NNP); personal income and national income (NI); average interest rate; balance of payments.

The stage of tax payments planning is the basis for improving the quality of the forecast of total tax revenues, and the justification of the methods used in the calculation of individual taxes. This stage, as a rule, is a consequence of the forecasts, and is implemented on the basis of various methods. The procedure for establishing the tax base plays an important role in this stage. Determining the composition and scope of the tax base can be divided into two stages: the development of a definite methodology for calculating the tax base; assessment and analysis of the potential tax base on the basis of projected indicators and definite methods. Determining the requirements of the tax base and the size of tax rates in combination with the forecast data of microeconomic and socio-economic indicators of development allows establishing a plan of tax revenues that determine the amount of each type of tax, including the timing of their receipt. The result of planning tax payments should be the following indicators: the volume of budget assignments for tax revenues; really possible cash inflows to the budget system; the level of performance of budgetary indicators; the ratio of the implementation of budget allocations to GDP.

The stage of execution and control of planned figures realization in the planning of tax payments plays an important final role (Zagorodniy and Olikhovskiy, 2017). In the context of this stage, great attention should be paid to tax administration which refers to the activities of tax authorities. These activities are aimed at exercising control over compliance with the legislation of the Russian Federation on taxes by legal entities and individuals. Tax administration is a set of tools, methods and techniques of information support with the help of which government agencies coordinate tax actions for any changes in the economy. Control over compliance

with tax legislation, accuracy of calculation, timeliness and completeness of payment of fees, taxes and contributions to the budget can be recognized as the tasks of tax administration.

Successful completion of all these stages will only have a positive effect on the dynamics of tax revenues and, as a result, on the general state of the economy, since tax revenues are the main source of revenue for the state (Table 1).

4. Assessment and analysis of macroeconomic indicators

Thus, the study of the financial engineering functionality and the modeling of corporate strategies for attracting financial resources has allowed drawing the following conclusion. The analytical support of financial engineering as a process of selection and balancing financial tools attracted by the corporation allows reducing the level of risks and costs on their hedging. Corporate structures should form the most optimal configuration of financing tools for themselves, depending on the scale of operation, financial stability, cost of financing tools servicing, belonging to the industry segmentation and the type of the used production technology.

The analysis of macroeconomic indicators and the role of tax revenues in the revenue structure of the budgets of the budget system of the Russian Federation for 2014-2016 are provided in Table 1.

Table 1. Analysis of the dynamics of tax revenues in the structure of budget revenues of the budget system of the Russian Federation for 2014-2016 (bln RUR) (authors' calculations based on FTRF, 2018)

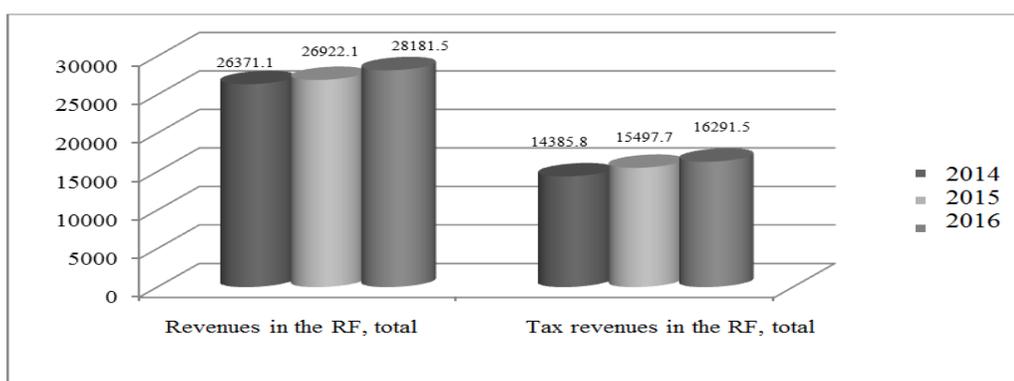
Indicator name	2014			2015			2016		
	Budgets of the RF BS including :	FB	CB of the RF Ss	Budgets of the RF BS including :	FB	CB of the RF Ss	Budgets of the RF BS including :	FB	CB of the RF Ss
	bln RUR								
Budget revenues including	26371.1	14496.8	8905.5	26922.1	13659.2	9308.2	28181.5	13460.0	9923.8
Tax revenues	14385.8	7897.2	6487.5	15497.7	8572.4	6924.1	16291.5	8717.6	7573.1
Ratio, %	54.6	54.5	72.8	57.6	62.8	74.4	57.8	64.8	76.3

BS – budget system; FB – federal budget; CB of the RF Ss – consolidated budget of the Russian Federation subjects.

According to data provided in Table 1, it can be seen that the share of tax revenues is growing both in absolute and in relative terms for the analyzed period in the budgets

of the budget system of the Russian Federation. It should be noted that the budgets of the budget system of the Russian Federation mean the set of budgets of all levels used in forecasting, planning, calculations and analysis. Similar dynamics are observed in the federal budget and in the consolidated budgets of the Russian Federation subjects, the share of tax revenues of the latter being the largest (72.8%; 74.4%; 76.3%, respectively). Figure 1 shows how steadily revenues of the state including tax revenues increase for 2014-2016 (Figure 1).

Figure 1. Dynamics of tax revenues in the revenue structure of budgets of the budget system of the Russian Federation for 2014-2016 (bln RUR) (authors' calculations based on FTRF, 2018)



Thus, for 2014-2016, revenue of the budget system as a whole including at the expense of tax revenues in particular was growing. As was noted, a value added tax, a mineral extraction tax, a personal income tax, a profit tax of organizations are among the largest tax revenues of the budgets of the budget system of the Russian Federation by volume of revenues (Table 2).

Table 2. Analysis of the dynamics of tax revenues in the budgets of the budget system of the Russian Federation for 2014-2016 (authors' calculations based on FTRF, 2018)

(bln RUR)

Indicator name	2014			2015			2016		
	Budgets of the RF BS including:	FB	CB of the RF Ss	Budgets of the RF BS including:	FB	CB of the RF Ss	Budgets of the RF BS including:	FB	CB of the RF Ss
Tax revenues including:	14385.8	7897.2	6487.5	15497.7	8572.4	6924.1	16291.5	8717.6	7573.1
CIT	2374.7	411.3	1963.3	2599.0	491.4	2107.6	2770.3	491.0	2279.3

PIT	2700.7	9.2	2691.5	2807.8	-	2807.8	3018.5	-	3018.5
VAT	3939.7	3931.6	8.0	4233.9	4233.5	0.4	4571.4	4571.0	0.39
Excise taxes	1071.7	592.4	479.27	1068.4	581.9	486.5	1356.0	694.3	661.7
STS	230.2	-	230.2	254.2	-	254.2	287.1	-	287.1
UTII	76.7	-	76.7	78.5	-	78.5	74.4	-	74.4
SAT	4.7	-	4.7	7.4	-	7.4	11.4	-	11.4
PTS	3.4	-	3.4	5.3	-	5.3	7.6	-	7.6
Sales tax	-	-	-	2.3	-	2.3	8.0	-	8.0
PPT	27.1	-	27.1	30.3	-	30.3	36.1	-	36.1
CPT	634.7	-	634.7	712.6	-	712.6	764.7	-	764.7
Transport Tax	117.5	-	117.5	140.0	-	140.0	139.1	-	139.1
GT	0.5	-	0.5	0.6	-	0.6	0.8	-	0.8
LT	177.6	-	177.6	185.1	-	185.1	176.4	-	176.4
MET	2904.8	2858.0	46.9	3226.8	3160.0	66.8	2929.4	2863.5	65.9
WT	2.2	2.2	-	2.6	2.6	-	2.3	2.3	-
Fee for the use of fauna and water biological resources	2.5	0.4	2.1	2.2	0.4	1.8	2.6	0.5	2.1
Stamp duty	113.6	90.9	22.8	138.3	101.7	36.6	133.6	94.2	39.4
Tax liabilities	3.5	1.2	1.2	2.4	0.9	0.3	1.8	0.8	0.2

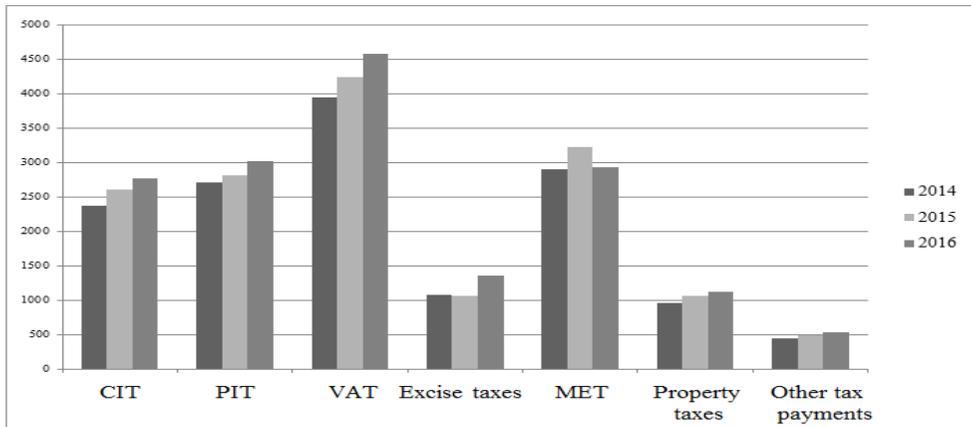
Analytical data of Table 2 show that, for 2014-2016, tax revenues in absolute terms in the budgets of the budget system mostly go to the federal budget, although their share in the budgets of the subjects is higher than in the federal budget.

The share of tax revenues in the federal budget (54.5%; 62.8%; 64.8%, respectively) consists of such payments as: a corporate income tax, a value added tax, an excise taxes, a water tax, value added tax, fees, a state duty. The tax base in the consolidated budgets of the subjects of the Russian Federation is formed by all tax payments, except for the water tax, as well as the sales tax envisaged in cities of federal significance from January 1, 2015.

It should be noted that a part of tax revenues is transferred to extra-budgetary funds (for example, 1.13 bln RUR were transferred in 2014, 14385.8 bln RUR – (7897.2

bln RUR + 6487.5 bln RUR)). The prevailing share of tax revenues in the federal budget is justified by the norms of deductions established by budget legislation (Dzobelova and Berkaeva, 2017). Thus, the most important tax payments in terms of revenues go to the federal budget (Fig.2).

Figure 2. Dynamics of tax revenues in the Russian Federation for 2014-2016 (bln RUR) (authors' calculations based on FTRF, 2018)



As can be clearly seen in Figure 2, the most significant tax revenues are concentrated in the federal budget. It is reasonable to revise the procedure for planning tax deductions (Aguzarova, Elbakieva, 2014). The value added tax is fully paid into the federal budget. The situation of the budgets of the subjects can be improved and federal dependence can be reduced, if part of the budget is redistributed to regional budgets.

Thus, for 2014-2016, tax revenues in the budgets of the budget system of the Russian Federation are steadily growing and occupy the largest share (54.6%; 57.6%; 57.8%, respectively). The largest part is contributed by the sum of revenues in the federal budget. The demonstrated stable growth of the tax component means that the economic and social state of the state directly depends on them. Tax planning is the tool which can predictably increase tax revenues. The analysis made it possible to conclude that the most significant tax payments belong to the federal budget. Therefore, the procedure for their distribution should be rethought and planned in such a way as to reduce the financial dependence of the regions on the centre.

5. Relevant problems of the research

The tax system of the Russian Federation is an essential tool for generating budget revenues and the basis for financing the activities of various government bodies. A

prerequisite for the optimal functioning of the Russian tax system is the effective planning of tax payments and tax control. At the same time, there are some problems of planning tax payments in practical reality. The problems refer, first of all, to Russian legislation, where there are no clear criteria that allow distinguishing between the legitimate minimization of taxation and illegal tax evasion in each case (Ermilova, 2017).

The role of tax revenues in the social and economic system of society is great, because the state more fully meets the planned needs with the help of them. As noted, their share is significant in the revenue structure of the budgets of the budget system of the Russian Federation. That is why, the process of budgeting is of great importance. In the course of this process a key position is given to the planning of tax payments. The less tax payments go into the budget system, the less the country's financial capacity is. Tax payments are the basis of budgeting. The process of planning of tax payments at the macroeconomic level represents a specific procedure for actions and measures, where the shortcomings and problems of planning still remain.

Accordingly, when planning tax payments, the collection and processing of analytical information is primarily conducted. In terms of this stage, such government bodies as Rosstat, the Federal Tax Service of the Russian Federation, and the Federal Treasury of the Russian Federation provide the main body – the Ministry of Finance of the Russian Federation – with generalized information on current tax payments (Myasnikova, Zatsepina and Goncharova, 2017). In particular, data is provided separately for each tax, fee and each territory. The collection and processing of analytical information makes it possible to judge the negative phenomena that one has to face in the course of calculating tax payments. For example, the level of deviation of actual revenues from planned or expected, the number of tax violations found, reasons for underpayments, tax liabilities, etc.

At the same time, this kind of analysis makes it possible to reveal the positive impact of the current tax system on social and economic development. For example, the absolute increase in tax payments on certain types of taxes and fees, as well as the impact of existing tax rates on the investment process, structural changes in the economy and other indicators. Such work will be of great importance in adjusting the main directions of tax policy for the next year, determining specific tax rates for certain types of tax payments. Problems with the collection and processing of analytical data primarily arise from the information base, that is, with the credibility of the collected analytical data. Often in practice, the information provided to the Ministry of Finance of the Russian Federation by other government agencies (Rosstat, the Federal Tax Service of the Russian Federation, the Federal Treasury) is not identical or distorted. All this creates problems in determining the forecast of the main macroeconomic indicators of the state, as well as creates an inappropriate image of tax payments.

After collecting and processing analytical information on planning tax payments, the Ministry of Economic Development of the Russian Federation provides the Ministry of Finance of the Russian Federation with macroeconomic indicators forecast for the next year and for the medium-term period, on which the amount of tax payments depends (Shaldina and Shushunova, 2018). Such macroeconomic indicators include GDP, GNP, NI and others. Here, problems should be attributed to the fact that the calculated forecasts of absolutely identical macroeconomic indicators obtained from different official sources may differ significantly, and it is difficult to trust a definite source. For example, such problems are encountered when calculating GDP, when the amount claimed from different official sources does not coincide. Therefore, the most urgent task is the relationship of public authorities in terms of the harmonization of calculations, various accounting and reporting schemes.

The next step in the planning of tax payments by the Ministry of Finance of the Russian Federation is calculating the revenues of the consolidated budget for the main tax revenues. The calculation is conducted on the basis of data submitted by the competent authorities to the Ministry of Finance of the Russian Federation. At the same time, the degree of risk and losses is assessed, and indicators of deviation of actual volumes of tax payments from planned ones are laid in advance in the planned indicators.

Deviations occur in connection with various unpredictable factors in the economy for individual tax payments. Regarding the problems of calculating the revenues of the consolidated budget, it should be noted that when planning the macroeconomic indicators of the consolidated budget of the Russian Federation, all circumstances that affect budgetary allocations are not always taken into account (Bondarenko, 2017). In this regard, it is reasonable to calculate tax revenues based on the results of the examination of budget execution for the current period.

At the final stage, the Ministry of Finance of the Russian Federation formulates its proposals on the basis of perfect calculations with regard to tax law adjustments and sends them to the State Duma together with the draft federal budget for the next financial year (Toyakovna *et al.*, 2017). When considering the established preliminary macroeconomic parameters, tax rates for individual taxes, fees, can be changed, the system of tax benefits for individual taxes, fees, the amount of non-taxable minimum for personal income tax, the distribution of certain tax payments between budgets of the budget system can be also adjusted. When sending proposals to the State Duma on perfect calculations of the planned tax payments, the inconsistency in the calculations of the Ministry of Finance and other state authorities becomes the foremost problem.

In our opinion, the formation of the budgets of the budget system can occur in accordance with the forecasted tax expectations, if the control measures are strengthened. Attention should be paid to the amount of tax liabilities, which are

not only available and accumulated, but also deducted. The problem here is to find effective measures to recover overdue payments.

The formation of macroeconomic indicators is influenced by the intentional evasion of tax payments by individuals and legal entities. The main reason for evasion, above all, is the low tax culture of taxpayers (Tirlea, 2018). The lack of legal education adversely affects economic performance. The fact that this problem should be resolved is not denied. It is proposed to establish penalties for intentional evasion or non-payment of tax payments. To do this, it is reasonable to determine such a fine that exceeds the amount of tax payable to the budget system. And then it will be more profitable to pay tax payments than to pay sanctions.

Problems that adversely affect the execution of planned tax payment assignments, as well as the stability and balance of budgets, still remain unresolved, especially for sub-federal budgets (Artemenko, Aguzarova, Aguzarova, Porollo, 2017). The financial dependence of the budgets of the majority of subjects on the federal centre has been maintained for a long time. At the same time, the federal budget receives the main tax payments forming the budget fund. Therefore, prerequisites are created for unfair redistribution of tax payments in order to reduce the provided interbudgetary transfers to entities. Reasonable redistribution of tax payments, in fact, should contribute to the reduction of subsidies to the budgets of entities.

6. Outcomes

The study of theoretical and practical material allowed revealing the problems of planning tax payments of economic entities. The problems concern, first of all, Russian legislation, where there are no clear criteria that let exclude illegal tax evasion in the budget system in each case. There are problems in the collection and processing of analytical data, which relate primarily to the information base, that is, the government contains inaccurate data, which later distorts the predicted macroeconomic indicators. The problems include the fact that the calculated forecasts of absolutely identical macroeconomic indicators (GDP, GNP, etc.) obtained from different official sources may differ significantly, and it is difficult to trust any single source anymore.

There are problems regarding the calculation of budget revenues. Thus, when planning macroeconomic indicators, all circumstances that affect budgetary allocations are not always taken into account, and budgetary parameters are also not always agreed by the competent government bodies. In this regard, it is important to calculate tax revenues taking into account the results of the examination of budget execution for the current period by the competent government bodies, since the primary problem is the inconsistency of the indicators calculated by the Ministry of Finance and other government bodies.

To eliminate the above problems, it is reasonable to strengthen the control measures, improve the tax system of the Russian Federation, increase the penalties for non-payment of taxes, and implement a search for effective measures to collect overdue payments. Solving the identified problems and implementing the proposed measures in the field of planning tax payments will certainly increase the tax discipline of economic entities.

Thus, the estimated tax payments are made by financial services. This process is extremely important at the macroeconomic level. The problems we discovered while planning tax payments should certainly be solved. To solve these problems, it is necessary to improve the tax system of the Russian Federation, strengthen methods of controlling tax payments to the budget system, and also implement a search for effective measures to collect overdue payments.

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