

The tax system of Uzbekistan

Automatization of activity carried out by the tax authority

With the development of market relationships and further liberalizations of entrepreneurial activity, the number of taxpayers, both legal and natural entities, increases. Hence an increase in the volume of daily information to be processed and analyzed by the tax bodies. Each day tax inspectors receive thousands of documents, with the figure tending to augment significantly in the periods under review. That's why, preparation for automatization of the tax authority's functions has started since its inception.

The Board of registration and information provision of computerization and communication dates its history from the end of 1992-the beginning of 1993. In August 1993, the Cabinet of Ministers of the Republic of Uzbekistan has issued Resolution No 388, "On the establishment of a unified data processing computer system in the tax bodies of the Republic of Uzbekistan". It can be asserted that it was the first government document bearing on automatization of data processing signed in independent Uzbekistan. This Resolution stipulated the organization of a computerization administration and regional computer centers. It marked the beginning of a tax registration system functioning on the basis of modern electronic computers. Moreover, it enabled to computerize registration of tax-payers (using their digital identification numbers) and their tax obligations and automatize control over the timely discharge to the budget of taxes, duties and other obligatory payments.

In September 1995, the Cabinet of Ministers of the Republic of Uzbekistan has issued Resolution No 359, "On the strengthening of the material and technical base and the improvement of social protection of tax officers of the Republic of Uzbekistan". To execute this document, a self-financing scientific and information center for new technologies has been set up, whose main objective was to ensure the elaboration of special software programs needed to process tax information.

The December 1997 Resolution of the Cabinet of Ministers, "On the establishment of the State Tax Committee of the Republic of Uzbekistan" (No 580) has facilitated the development of computerization in the Republic's tax bodies. In accordance with this document, a corporate telecommunications system of information interchange has been created to make sure that all sub-divisions of the tax service can exchange information on the basis of satellite communication technology.

As the development of automatized tax information processing systems proceeded, the STC sub-divisions were outfitted with the latest computers and information interchange facilities. Local information and computing networks have been established in all tax inspections and regional tax administrations throughout the Republic, with modern means of telecommunications being exploited.

One of the main goals of automatization is to cover an increasing number of tasks and routine operations through the introduction of new computers programs, which enable to accelerate the processing of tax data and to increase the efficiency of tax inspectors' performance. As for the latter, it can be attained by shifting the focus of their work from monotonous calculations and paper shuffling toward creative analysis with the help of modern means of computer statistics.

Automatization of activity carried out by tax inspections, which constitute the tax service's foundation, is a core element of the overall automatization program. This envisages the creation unified centralized databases' on taxpayers and their tax obligations, thus ensuring that information provision of territorial tax bodies and the central administration is automatized. At present the most perspective information technologies are being introduced at the State Tax Committee of the Republic of Uzbekistan. Every effort is currently made to provide complex solutions to a range of problems of inter-level information inter-change, which helps improve the authenticity and quality of accounts and analytical materials delivered to the Central Tax Board from its regional sub-divisions.

Informatization-related services are now available in all territorial sub-divisions of the State Tax Committee. Involved in the introduction and running of new software and electronic and computing equipment, they ensure uninterrupted and well-coordinated work of all systemic and applied software products, thus contributing substantially to information interaction.

The implementation of a concept of the development of a unified data processing system is well under way at the State Tax Committee. It provides for the additional outfitting of the tax service's all three levels with computers and communications equipment, which will make it possible to process and store tax information much more quickly and accurately. Among the latest information technologies used by the Republic's tax authority is the work with distributed databases and the creation of a single information space of tax data. To accomplish this, an information system architecture based on terms such as client-network, Intranet-Internet and others is being currently introduced.

Needless to say, information interaction with other government institutions is of vital importance to the tax authority. Merging and exchanging the information flows, they can create and apply, on terms of mutual advantage, a taxpayer registry containing additional registration-related characteristics , a joint bank of data on the violation of the tax law, as well as databases on the inflow of tax receipts from legal and natural entities.

With this in view, stage-by-stage work is in progress to develop an automatized interdepartmental integration system of information interchange. In particular, it envisages the exchange of information with the Central Bank, the State Customs Committee and the Ministry of Macroeconomics and statistics of the Republic of Uzbekistan.

It goes without saying that the introduction of information technologies and use of special means of protection as well as limited access to information ensure that taxpayers' data remain confidential.

For the time being, the tax information processing system is undergoing further improvement and upgrading. This involves among other things, the development of an automatized system for the processing of declarations submitted by natural entities, modernization of local information and computing networks in territorial tax bodies, as well as further improvement of the corporate information network. The tax bodies are equipped with additional systems designed to ensure the enhanced reliability of data processing and storage. Special measures are taken to reserve the systems of strategic importance and to protect computers against break-downs due to failures in power supply and data storage.

In the years to come, it is planned to elaborate a technology, which will make it possible to receive and process all information at the STC Center for Data Processing, and to introduce a system of automatized preparation and presentation by the state tax inspections of their summaries and reports, as well as programs, which will enable the tax authority to execute daily control over the fulfillment by taxpayers of their tax obligations.

Special STC sites are being developed these days, including a site on the Internet, which is intended for taxpayers, and another site to be used within the State Tax Committee's corporate network, i.e. on the Intranet, and intended for the tax service personnel.

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