

TAX REGULATION TOOLS OF HOUSEHOLD INCOME*Aigul R. Khafizova**Kazan Federal University, Institute of Management, Economics and Finance**Svetlana V. Salmina**Kazan Federal University, Institute of Management, Economics and Finance**Marina E. Orlova**Kazan Federal University, Institute of Management, Economics and Finance**Farida F. Adigamova**Kazan Federal University, Institute of Management, Economics and Finance**Venera I. Nasyrova**Kazan Federal University, Institute of Management, Economics and Finance*

Abstract. The article deals with the main directions of tax regulation of entrepreneurial activity of households. The definition of households is given, the signs of entrepreneurial activity of the household and types of households are distinguished. The main tools of tax regulation of business activity of households are presented, the necessity of their active use for stimulation of secondary employment, increase of welfare of families and reduction of unemployment is proved. The theoretical and practical aspects of household taxation are analyzed from the point of view of the strategically oriented approach. Studies of household income tax regulation tools have led to conclusions about their high efficiency and indirect impact on business activity. The trends in reducing the number of households engaged in business activity are identified, and the directions of using the tools of tax regulation in order to improve the taxation system of business activities of individuals are proposed.

Separately, the article considers peasant farms and analyzes the tax regimes for them, conclusions are made about the advantages of the transition to a special tax regime in the form of payment of a uniform agricultural tax. The positive experience of tax regulation of business activity in the world practice is generalized

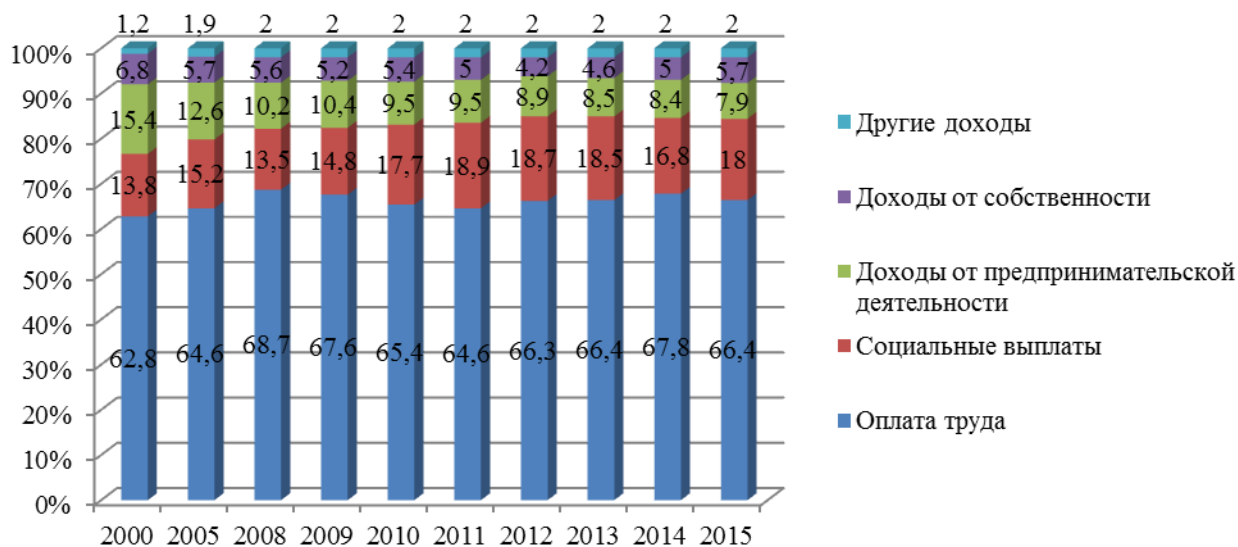
Keywords: instruments of tax regulation, households, peasant farms, tax regimes, special tax regimes.

1.Introduction

At the present stage households are considered to be essentially important part of national economic system, one of the largest subjects of both economy in general, and economic activity in particular on which results welfare of all population of the country, as well as a separate economic unit depend. In scientific and economic literature the important place is allocated to forming the households' budget. In modern economy conditions the revenues of the households' budget are formed at the expense of the income of wage labor, the income from business activity, from property, the capital, social transfers and other income.

It should be noted that some households make certain types of goods and services not only for own consumption, but also for sale, in exchange gaining income. Production of various goods and services for sale by households can be carried out on means of their enterprise abilities that is independence in decision-making and personal responsibility for providing with necessary means directed to systematic obtaining of the income necessary for satisfaction of requirements. Thus, business activity on production of goods and rendering services is impossible to separate from households neither with legal, nor with economic points of view. Thus, households can gain enterprise income. Enterprise income of households arises both as a result of conducting business activity, and as a result of conducting activity on the terms of self-employment. Let's note that this type of income can be received as within organized business, the households registered in the uniform of individual entrepreneurs, or farms, and unorganized - private unorganized trade, home and handicraft work, sporadic rendering services and others.

The enterprise income of households are an important source in structure of all possible income of households, after the income from compensation and social transfers. The structure of the monetary income of households is presented in the figure 1.



Другие доходы	Other income
Доходы от собственности	Property income
Доходы от предпринимательской деятельности	Business activity income
Социальные выплаты	Social payment income
Оплата труда	Job payment

Fig. 1. Structure of the monetary income of the households, % [1]

According to Figure 1 it is possible to draw a conclusion that development of the market relations in Russia is followed by decrease in a share of the enterprise income in structure of the cumulative income of the households: during 2000 - 2015 the specific weight of the income from business activity was dropped by 7,5.

At interaction of the households which are carrying out business activity and the states, its structures there is a secondary redistribution of the created gross product. Moreover, the state is designed to influence the sizes of the located income and final consumption of the households which are carrying out business activity, as well as directly on development of the households' business activity. It is carried out via mechanisms of state regulation, in particular tax.

Many Russian scientists are engaged in questions of state regulation, including tax regulation. In particular works by Tufetulov, A.M., Nugaev, F.S., Zayats, A.S. [2], Sabitova, N.M., Shagiahmetov M. R., Ivanova N. G. [3], Selivanovskaya, J.I., Talan, M.V. [4] were considered. From the foreign registration, dealing with problems of distribution income and expenses of households, their taxation it is possible to allocate works of such authors as Hayo, B., Uhl, M. [5], Lee, D. [6], Fischer, T. [7], Apps, P. , Rees, R. [8], Azzimonti, M., Yared, P. [9], Hanappi, T.P. , Millbacher, S. [10], Burnham, P. [11], de Velazco, Judith Josefina Hernández G., et al. 2018 [12], Sharma, D. N., & Rajput, S. K. 2017 [13].

Tax regulation of the households which are carrying out business activity represents process of the purposeful managing direction of the state impact on financial resources of households from business activity by means of the tax mechanism. The mechanism of tax regulation of the households' business activity, in our opinion, includes: subjects and objects to tax regulation, form and methods of influence and interaction of subjects and objects to tax regulation, the instruments of tax regulation leaning on the standard and resource bases answering strategic objectives of the country's development. The regulatory base of tax regulation is submitted by the standard and legal acts governing the tax relations. Resource base of tax regulation is presented by a financial condition of the households carrying out business activity.

Objective of this research is to develop practical recommendations about creating the mechanism of tax regulation for the households' business activity.

2. Materials and Methods

Tax tools, in our opinion, are the most interesting from the point of view of the tax regulation role views change which is now that along with fiscal contents tax regulation more and more acquires the economic and institutional contents.

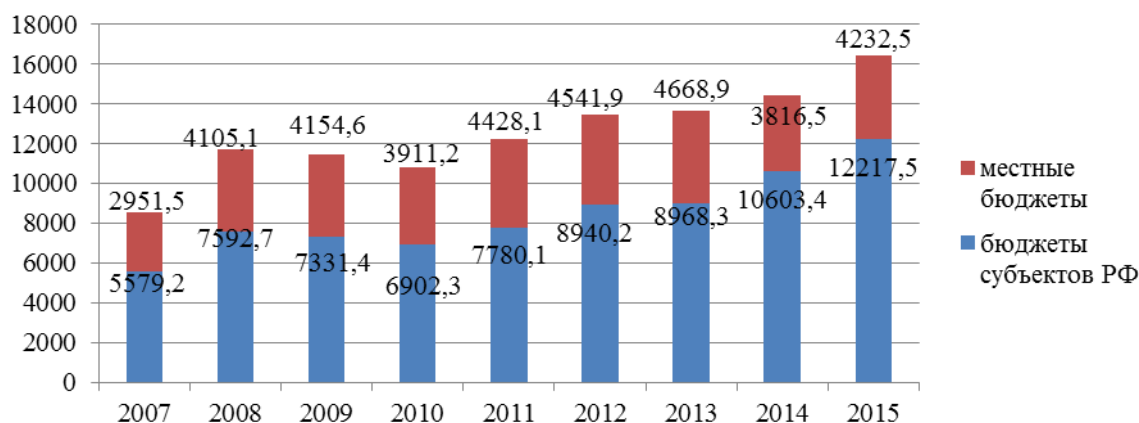
According to standards of the Russian legislation the taxation of the households' business activity can be carried out on several taxation systems: on a general regime and the special tax modes. The choice between taxation

systems is carried out by taxpayers exclusively independently. Originally taxpayers make such choice along with their registration as individual entrepreneurs, or country farms which is carried out by the appropriate territorial authority Federal Tax Service of the Russian Federation.

The traditional taxation system assumes payment of a number of taxes by payers: federal, regional and local, provided by the Tax Code of the Russian Federation. Using this system no requirements for respect for any criteria are imposed to taxpayers. However, in connection with variety of taxes and their calculation, the taxpayers choosing usual taxation system have enough problems. It serves as the main reason for desire of many of them to use the special tax modes. Now the operating taxes make a different contribution to forming the income of budgets on different levels that, on one hand, is defined by taxes distribution standards for levels of the budgetary system, and on the other - by condition of tax base on each of taxes. Households enter the tax relations because the households business activity in the course of receiving and expenditure of the income leads to emergence of tax duties and rights.

Domestic practice showed that the great value in replenishment of the consolidated budgets of the Russian Federation subjects belongs to a tax on the income of natural persons. In 2015 2 806,5 billion rubles of an income tax came to the consolidated budgets of subjects of the Russian Federation that made more than 40% of the total amount of tax revenues. Today it is the main budget forming tax. Receipts of this tax directly depend on dynamics of the citizens' income growth of the country. According to Federal State Statistics Service, rate of a gain of the average monthly added salary for 2007 - 2015 made 150%.

Receipts of an income tax of the households which are carrying out business activity, in particular, of individual entrepreneurs in the consolidated budgets of subjects of the Russian Federation for 2007 - 2015 increase (figure 2).



Местные бюджеты Бюджеты субъектов РФ	Local budgets RF subjects' budgets
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Fig. 2. Receipt of an income tax of individual entrepreneurs in the consolidated budgets of subjects of the Russian Federation, in million rubles.

For the last three years growth rate of receipts of an income tax from individual entrepreneurs in the consolidated budgets of the Russian Federation subjects is observed. For 2013 growth rate made 101,2%, for 2014 - 105,7%, 2015 - 114,1%.

As we noted earlier, households can carry out business activity applying various special modes of taxation according to standards of the Russian legislation. Let's consider tax base and structure of the charges on taxes paid by households in connection with application of some special taxation modes.

In general in the Russian Federation annual increase in the tax paid in connection with application of a simplified tax system the households which are carrying out business activity, in particular individual entrepreneurs for 2007 - 2015 (table 1) is traced.

Table 1 Tax base and structure of the tax paid charges in connection with application of a simplified tax system by individual entrepreneurs in the Russian Federation [12]

Years	Tax base, million rubles.	The amount of the estimated tax, million rubles.	The amount of a tax which is subject to payment, million rubles.	The number of SP, submitted tax declarations, persons.	The number of SP, the simplified tax system who took out patents for the right of application on the basis of the patent, persons.

007	436 11 0,6	32 348,6	29 205,2	828 721	6 193
008	634 61 5,9	45 797,9	41 026,5	996 883	3 213
009	636 30 0,3	45 362,7	40 087,8	1 021 497	18 617
010	776 91 9,2	55 282,9	48 081,9	1 136 248	32 371
011	966 41 4,2	68 390,5	57 305,5	1 200 130	59 282
012	1 181 4 15,2	82 603,4	69 225,4	1 217 099	93 181
013	1 366 9 50,5	94 486,3	74 511,8	1 194 213	75 838
014	1 545 6 59,6	106 181, 5	85 193,8	1 196 837	-

According to Table 1 it is visible that for the analyzed period increase in tax base of this tax is observed. By 2014 it increased by 3,5 times or by 1 109 549,0 million rubles and makes 1 545 659,6 million rubles in comparison with 2007. Directly it is connected with increase in number of the individual entrepreneurs who provided tax declarations in tax authorities with 828 721 persons in 2007 to 1 196 837 people in 2014 (accruing a result). Let's note that the amount of the estimated tax considerably exceeds the amount of the tax which is subject to payment. Reduction of the amount of the estimated tax can come at the expense of the sum paid by taxpayers for the tax period of insurance premiums for mandatory pension insurance, obligatory social insurance on a case of temporary disability either in connection with motherhood, or on compulsory health insurance, obligatory social insurance from industrial accidents and occupational diseases, as well as paid to workers during the tax period from means of the taxpayer for temporary disability benefits.

The households which are carrying out business activity, in particular individual entrepreneurs and farms can apply taxation system to agricultural producers and pay a unified agricultural tax. The individual entrepreneurs or country farms applying this mode of the taxation are exempted from payment of the following taxes: income tax, property tax of natural persons, and value added tax (with some exceptions). To pass to payment of a unified agricultural tax it is necessary following the results of work for the calendar year preceding year in which willingness to pass to payment of this tax is shown a share of the income from realization of the agricultural production made by them made not less than 70% of their total income.

For the country farms having the land plots, carried to lands of agricultural purpose there is an established tax benefit. The tax rates established by standard legal acts of representative bodies of municipalities cannot exceed 0,3% concerning these land plots.

For 2007 - 2014 receipts of a unified agricultural tax in the tax income of local budgets of the Russian Federation did not decrease (Table 2). Also for the analyzed period the number of the taxpayers submitting tax declarations reduced.

Table 2 Tax base and charges on a unified agricultural tax of individual entrepreneurs and country farms in the Russian Federation [12]

Years	2007	2008	2009	2010	2011	2012	2013	2014
Tax base, million rubles.	445,3	621,8	874,4	1223,6	1590,4	1815,1	1983,0	2628,3
The amount of the estimated tax, million rubles.	26,6	2,8	9,3	82,9	62,4	81,9	045,5	366,3
The number of SP and the peasant farm which submitted tax declarations, persons.	5 715	228	221	02 629	18 614	5 250	4 476	0 428

Thus, giving short comparison of all these taxation systems, it is possible to note that all of them, first, are directly connected with replacement of a number of taxes on payment of other single tax, second, provide remission of a

value added tax, and third, simplify administration of maintaining the account and reporting. In our opinion, for each businessman the choice of taxation system has to be exclusively individual. At the same time it is necessary to proceed not only from optimization of the taxation and decrease in costs of maintaining the account, but also to consider specifics of conducting economic activity.

2. Results And Discussions

On the basis of the carried-out analysis, it is possible to draw a conclusion that the quantity of households which carry out business activity is reduced. In this regard, need of state financial support for the households' business activity increases for its further development.

For improvement of tax regulation of the households' business activity of the Russian Federation we offer to introduce a taxation regime for the households which are carrying out business activity. Specifics of this special mode of the taxation are that the correcting coefficients considering the number of participants of a household will be applied to the established tax rates.

The taxation mode for households has to become effective regulations of municipalities as it is mainly about taxpayers whose field of activity has local character, these problems are especially urgent for local budgets. The new mode of taxation for households has to be created on the principle of voluntariness of transition: each economic entity proceeding from profitability of the business activity has to make the decision on application of this mode. The taxpayer has the right to keep in accordance with general practice account and to pay taxes, he cannot be deprived of an opportunity to submit all necessary documents for full calculation of real tax base and the corresponding amount of a tax.

3. Summary

Thus, tax regulation of the households' business activity represents process of the purposeful managing director of the state impact on financial resources of households from business activity by means of the tax mechanism. In our opinion, a basic element of the tax regulation mechanism for the households' business activity is tax tools.

Now the households' business activity as independent socially – it is the economic event, in the development passes to a stage of deeper and high-quality development. The tax system existing in Russia is complex. In spite of the fact that the tax law of the Russian Federation applies several tax systems to the households which are carrying out business activity, but even taking into account features of their application the stimulating function of taxes is not always performed.

The instruments of tax regulation which are available in theory and are used in practice in general positively influence the households' business activity, allowing to reduce their tax burden. Nevertheless, the used tax tools demand continuous correction, the accounting of the households' business activity development, flexible interaction with tax authorities.

4. Conclusions

1. Specifics of the households which are carrying out business activity are defined by their relative independence, as well as a significant role of their enterprise income in structure of all cumulative income of households. We offered group of the households having the enterprise income according to which they are subdivided into the households which are engaged in business activity, registered in the uniform of individual entrepreneurs, or country farms, as well as on households which have an enterprise income in result of conducting activity on the terms of self-employment.

2. Tax regulation of the households' business activity represents process of the purposeful managing director of the state impact on financial resources of households' business activity by means of the tax mechanism. In our opinion, basic elements of tax regulation of the households' business activity are tax tools.

3. Realization of the tax regulation improvement direction for the households' business activity considered by us has to create a necessary favorable environment for development of business activity of this economy subject in the Russian economy. Such transition to the taxation mode for the households which are carrying out business activity will allow: as much as possible to simplify the taxation of the households business activity and the accounting of this category of taxpayers, to bring the considerable cash flows concentrated in the hands of self-employed citizens out of "shadow", to increase the tax income of local budgets due to increase in number of tax payers.

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