

## LEGAL COLLISIONS FOR ESTABLISHING TAX BENEFITS ON LAND TAX (THE EXAMPLE OF THE FREE PORT OF VLADIVOSTOK)

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The subject. The analysis of the establishment of land tax benefits for residents of the Free Port of Vladivostok by municipalities is carried out.

The purpose of the article is to determine the feasibility of establishing land tax benefits for residents of the Free Port of Vladivostok (FPV) by the municipalities themselves or to confirm the need for federal regulation of the establishment of such benefits by the Tax Code of the Russian Federation.

The methodology of the study includes the analysis of municipal legal acts on the establishment of land taxes in municipalities that are parts of the FPV.

The main results and scope of their application. Due to the limitation of powers of municipalities located in territories with special legal status, one of the powers that such municipalities exercise is the establishment of local taxes and fees, as well as local tax benefits for residents of such territories. In most cases, such benefits provided at the federal level, so municipalities only “exercise the will” of the federal legislator by imposing a local tax on their territory.

Due to the absence of federal regulation, tax benefits on local taxes will be established at the discretion of local authorities, which may lead to competition and unequal economic conditions for residents. So, for residents of the Free Port of Vladivostok (which includes 22 municipalities located in five constituent entities of the Russian Federation) in the absence of federal regulation, the municipal entities themselves will establish land tax benefits, which in practice leads to differentiation in the payment of land tax in the territory of the Free Port of Vladivostok. All municipalities that are parts of the FPV are divided into three groups: 1) a land tax exemption has been established in the municipalities of the first group;

the municipalities of the second group has not established a land tax benefit; 3) the municipalities of the third group have a zero land tax rate. It is necessary to establish a common list of benefits on the territory of the FPV by the Tax Code of the Russian Federation with the possibility of expanding such benefits at the regional and municipal levels, taking into account local characteristics.

Conclusions. Municipalities establish the land tax benefits in different ways, and such situation leads to an unequal economic situation for residents of FPV. In order to remove competition between municipalities and due to the significance of the goals that the state sets for itself, creating territories with special economic status, it seems necessary to establish a typical list of benefits on such territories at the federal level by the Tax Code of the Russian Federation with the possibility of expanding such benefits at regional and municipal level according to local circumstances.

## 1. Introduction

Federal law of 06.10.2003 N 131-FZ "On General principles of organization of local self-government in the Russian Federation" (Articles 82.2-82.5), along with the peculiarities of local government in the BUT, science cities, cities of Federal importance, the border areas in the far North, starting in 2010, began to establish the norms regulating the peculiarities of organization of local self-government in some areas of innovation: the innovation centre Skolkovo (2010), the territories of rapid socio-economic development (since 2015), territories of innovative scientific and technological centers (since 2017), the territory of the free port of Vladivostok (since 2018). These norms refer to the Federal laws establishing the legal status of the respective territories.

In addition to the above, Russia also distinguishes other territories with special economic status: special economic zones, free economic zones, zones of territorial development, which are also formed, including on the territory of municipalities. Currently, a large number of such territories have been created in Russia, they have different legal status. According to Deputy Minister of economic development of the Russian Federation Vadim Zhivulin, "the variety of instruments to support investors, which have been formed for several years, has led to confusion in preferential regimes that operate on 500 sites, and few people know how they differ from each other."

In the literature, such territories are called: territories with special conditions of economic development [1], territories with a special regime of entrepreneurial activity [2-4].

Territories with special economic status, as well as the activities of residents of such territories are considered in the legal literature, as a rule, within the framework of business law [5-7]. Certain issues of taxation of residents are also touched upon [8-10]. Certain aspects of interaction of municipalities within such territories are touched upon in the works on municipal law [11; 12]. At the same time, there is a lack of financial and legal research in this area.

In the literature the forms of investment activity include the following legal structures:

- "1) special (free) economic zones (SEZ);
- 2) zones of territorial development (ZTR);
- 3) territories of advanced social and economic development (TOSER);
- 4) free port of Vladivostok (SPV);
- 5) Skolkovo innovation center is singled out as the only and exclusive legal structure that does not involve replication and distribution" [13].

The presence of such special territories on the territory of municipalities leaves an imprint on the relationship between the state and the municipality in solving a number of issues, including financial ones. One of the important powers that the municipality has, and which may in some cases be used in a limited way in areas with special economic status, is the establishment and introduction of local taxes and fees. First of all, we are talking about the land tax, because for residents of certain territories with special economic status, benefits are provided for this tax.

The question arises, how justified is the introduction of tax incentives and other preferences that lead to a shortfall in local budgets of taxes, as well as other possible income credited to the local budget. The financial control authorities pay attention to the inefficiency of the actions of certain territories with special economic regime in General. For example, the accounts chamber of the Russian Federation notes the inefficiency of the mechanism of special economic zones: "as of September 1, 2018, there are 25 special economic zones (SEZs) in the territories of 22 regions. In the period from 2006 to 2018.

The total amount of budget funds allocated for the creation and development of the SEZ amounted to 201.2 billion rubles, including 131.4 billion rubles from the Federal budget and 69.8 billion rubles from the budgets of the constituent entities of the Russian Federation. Taking into account the ratio of the invested funds of the Federal budget with the total volume of attracted investments, it is still impossible to recognize effective 10 of the 25 existing SEZs, including: SEZ TRT "turquoise Katun", SEZ TRT "Baikal Harbor", SEZ "Ulyanovsk", SEZ PPT

"Moglino", SEZ TVT "Innopolis", SEZ tourism cluster under the management of JSC "Resorts of the North Caucasus". The volume of Federal budget funds allocated for their financing is 55.1 billion rubles, the volume of attracted investments is 7.6 billion rubles." The scientific literature also draws attention to the inefficiency of preferential tax zones. For example, I. A. Goncharenko conducting an analysis of the experience of the 90-ies of the twentieth century, notes that the provision of benefits for income tax within the rate credited to the state budget, led to the fact that "the financial system of Russia was destabilized: the budget annually lost tens of billions of rubles... in Mordovia, for example, the amount of benefits provided three times exceeded the total amount of investment" [8].

Thus, there is a need to consider the question of the effectiveness of the establishment of tax benefits by municipalities, primarily on land tax in terms of filling local budgets.

## 2. General issues of establishing tax benefits

The issues of establishing tax benefits in General are quite controversial. Can, for example, the establishment of local tax benefits at the Federal level be called a limitation of the powers of municipalities? D. V. Tyutin expresses the opinion that the limitation of the powers of local authorities in terms of establishing local taxes "allow us to trace the progressive movement of the legal system of Russia from formal federalism to actual Unitarianism" [14]. O. I. Lyutova also draws a conclusion about the virtually unitary nature of the tax system and the facultative norm-making activity of local governments of municipalities [15, p. 27]. At the same time, one should doubt the position of the author that the land tax will operate in the absence of a local normative act on land tax, rather, it meant the possibility of the municipality to change the elements of the land tax within its powers, establishing differences from the Tax code of the Russian Federation.

N. A. Solovyeva expresses doubts about the legality of establishing tax benefits in the form of exemption from tax of certain categories of

taxpayers by normative legal acts of representative bodies of municipalities [16, p. 124]. According to the author, as follows from the articles of the tax code, it is possible to exempt certain categories of taxpayers from paying local taxes only by introducing a zero tax rate for them [16, p. 125]. At the same time, the practice of establishing tax benefits for local taxes by the representative bodies of municipalities refutes this point of view, since, on the contrary, the establishment of zero rates occurs in isolated cases, mainly tax rates are set in the form of exemption from tax of certain categories of taxpayers or individual objects of property. Thus, in the study of the practice of granting tax benefits by municipalities of the Siberian Federal district, the data that "in 2001-2005 the amount of benefits provided at the local level for the payment of land tax in the SFO as a whole increased by 7.9 times; in 2006-2007 - the amount increased by another 3.3 times, and in total for the specified period - the amount of benefits provided by municipalities of the SFO for land tax increased by almost 26 times" [17, p.60], while more than 80% of urban settlements used their right to establish additional tax benefits [17, p. 63]. Thus, the reduction in the number of Federal land tax benefits, along with the open powers of the representative bodies of municipalities to establish tax benefits, allowed municipalities to more actively pursue their own tax policy through the establishment of an expanded list of tax benefits for local taxes.

Also debatable is the question of the correlation of the principle of the single economic space, established by the Constitution of the Russian Federation, with the possibility of differentiation of tax rates at the level of regions and municipalities. Thus, M. N. Sadchikov believes that "rulemaking at the regional and local levels should not violate the principle of unity of economic space" [18], and in territories with a special economic regime, "the use of a" tax instrument "should come from the Federal government in compliance with the basics of tax legislation" [19].

In foreign literature, tax benefits are considered in various aspects, for example, both from the point of view of the authorities ' powers to establish them [20, p.97], and from the point of view of incentives

to attract investment [21].

### **3. Establishment of tax benefits on land tax for residents of the Free port of Vladivostok**

Of interest is the establishment of tax benefits for residents on local taxes, as well as those taxes that are received by local budgets. Consider this question on the example of the free port of Vladivostok. Article 19 of the Federal law "on the free port of Vladivostok" does not establish any tax benefits for residents of SPV, referring to this issue to the legislation of the Russian Federation on taxes and fees. It should be noted that the law provides for the possibility of establishing benefits only for Federal taxes. In contrast, for example, from the law on TOSER, which directly establishes the exemption of residents from paying property tax and land tax, tax benefits for residents of SPV on regional and local taxes are not provided by the Federal law "on the free port of Vladivostok. The tax code of the Russian Federation for residents of SPV provides privileges and features of calculation only on the VAT, the profit tax of the organizations and insurance premiums. Thus, land tax benefits will be established at the level of municipalities. The free port of Vladivostok covers 22 municipalities located in five subjects of the Russian Federation, each of these municipalities can establish land tax benefits by its regulatory acts. It should be noted that such a duty for municipalities is not provided, because in the absence of Federal regulation, municipalities, establishing benefits for local taxes, exercise their right (Articles 12, 56 of the Tax Code of the Russian Federation). It is obvious that if any municipalities that are part of the SPV, do not exercise their right to establish land tax benefits, it will put the residents of the SPV in unequal economic conditions.

At the same time, on the official websites that contain information about the free port of Vladivostok, there are discrepancies in terms of benefits provided for land tax. Thus, the website of the Far East Development Corporation states that land tax benefits are provided for the first 3 years. On the website of the Ministry of Far East

development stated that tax incentives for residents of the Free port range from 0% - land tax for 5 years (while presented on the comparison website TOR and SST modes more confusing, as the documents indicated on granting privileges for three years). It is unclear at the same time, from what date the term is counted – from the moment of acquisition of the land plot or receipt of the status of the resident.

Based on the information provided, it should be concluded that its incomplete reliability, as well as the need for clearer information to potential residents of the free port of Vladivostok about the special regimes, including tax benefits and preferences, on which they can count.

The analysis of normative legal acts of representative bodies of municipalities establishing the land tax in the territory of the municipalities which are a part of SPV shows that they differently approach to the decision of a question of exemption from payment of the land tax of residents of SPV, thus not all municipalities establish such privilege.

Among the municipalities included in the SPV, all municipalities located in the Khabarovsk territory, Kamchatka territory, Sakhalin region, Chukotka Autonomous Okrug have established a tax benefit in the form of exemption from land tax. In the municipalities of Primorsky Krai, there was no agreement on the introduction of land tax benefits. Most municipalities have introduced exemption for SPV residents: all urban districts (Artemovsky, Vladivostok, Bolshoy Kamen, Nakhodka, Partizansky, Spassk-Dalny, Ussuriysky) and a number of municipal districts (Olginsky, Partizansky, Khankai). In the specified municipal areas introduction of the privilege on the land tax is provided both at the level of the municipal area, and in settlements which are in them that is caused by existence of inter-settlement territories of the municipal area. At the same time, only in the Khankai municipal district, all settlements provide a benefit, in the Olginsky and Partisan districts of those – only a part.

In such municipal districts as Nadezhdinsky, Shkotovsky, Oktyabrsky, Border, Khasansky, the introduction of benefits at the level of the municipal districts themselves is not provided, but exemption from land tax is established in some settlements.

In Lazovsky municipal district, land tax exemption

for residents of SPV is not provided either at the district level or at the level of their constituent settlements.

It is particularly necessary to highlight Petropavlovsk-Kamchatsky city district, which established not a tax benefit, but a tax rate of 0 percent in respect of land owned by residents of SPV. In the scientific literature and in practice there is no unambiguous answer to the question whether a zero tax rate can be considered a tax benefit, while the negative answer to this question prevails. It seems that the exemption from payment of land tax in the Petropavlovsk-Kamchatsky urban district of SPV residents in the form of establishing a zero tax rate can formally be attributed to a tax benefit, since, in comparison with other municipal legal acts establishing tax benefits for such categories of taxpayers, it becomes obvious that the representative body of the municipality had in mind a tax benefit. And the presence of other errors of legal technique in the Decision of the City Duma of Petropavlovsk-Kamchatsky city district, which will be discussed further, only confirms the position expressed in the scientific literature that "between municipalities there is a large variance in the quality of legal norms. The organizational and financial capabilities of the municipality, the presence of a good apparatus in the representative body, the professionalism of the deputies themselves are crucial in this" [22, p.73].

#### **4. Features of establishment of tax privileges on the land tax by the separate municipalities entering into SPV.**

By types of tax benefits, all municipalities that are part of the SPV can be divided into three groups:

- established land tax relief;
- who have not established a land tax benefit;
- set a zero rate on land tax.

In those municipalities in which the benefit is established, there is also a different approach to its establishment. There are several criteria for establishing a tax benefit.

1. The tax benefit is established in the form of full

or partial exemption from tax.

1) full exemption from land tax without limitation of the term of the benefit (Ilyinskoye, Kamen-Rybolovskoye, Novokachalinsk rural settlements of khankaysky municipal district of Primorsky Krai; Khasansky urban settlement of Khasansky municipal district of Primorsky Krai.

2) full exemption from payment of land tax for a certain period. Such exemption in the literature is called tax holidays [23, p. 119].

The majority of municipalities establish a benefit within the first five years from the date of receipt by taxpayers of the status of the resident of the free port of Vladivostok (for example, Korsakov district of the Sakhalin region, the city district of Pevek, etc.). In Nakhodka city district, the privilege is granted for the first two years from the date of obtaining the status of a resident of the free port of Vladivostok, and in 2010, the Big Stone - within three years from the date of obtaining the status of a resident of the free port of Vladivostok (the term of granting benefits coincides with the term of granting benefits to residents of TOSER).

3) combination of full exemption from land tax for a certain period with subsequent partial exemption from tax.

In addition to the full exemption from tax, a number of municipalities also provide for a subsequent benefit in the form of a partial exemption from tax after the expiration of the full benefit. As a rule, the term of partial exemption is the same - within the next five years from the month in which the tax rate of land tax on full exemption ceased to apply (Nakhodka city district – two years), but the amount of the benefit each municipality establishes differently.

There is a reduction in the land tax rate:

- by 25 percent (Nakhodka city district);
- by 50 percent (Sovetsko-Gavansky municipal district, urban settlement "Sovetskaya Gavan", Vaninsky municipal district, Olginsky municipal district, Pevek urban district, etc.);
- by 60 percent (Vladivostok city, Ussuri city district, Spassk-Dalny city district, Artemovsky city district, etc.);
- 70 percent (Partisan municipal district, included in its composition Ekaterinovskiy and

Zolotodolinskaya rural settlement);  
- 80 percent (Partisan urban district).

The establishment of a partial benefit makes it necessary to determine the rate at which the land tax should be paid by the residents of the SPV. Based on the General provisions on land tax rates established by the Tax Code of the Russian Federation, land plots of SPV residents will be taxed at a rate of 1.5% as not belonging to preferential categories of land plots. Thus representative bodies of municipalities have the right to differentiate rates of the land tax, thereby concerning residents of SPV such rates can be reduced by municipal legal acts. As noted in the literature, the differentiation of tax rates is an effective tool for tax regulation of economic activity [24, 25].

Clearly, the different options tax benefit from a full exemption to the payment in full, in establishing incentives in different percentage in different municipalities SPV puts residents at a disadvantage depending on what the municipalities are the land.

2. The period in which the tax benefit is valid (the beginning and end of the benefit).

In most cases, the standard wording on the validity of the land tax benefit is used-within the first five years from the date of obtaining the status of a resident of the free port of Vladivostok by persons, starting from the 1st day of the month following the month in which they received such status.

In this case, the receipt of benefits is not associated with the acquisition of land, but with obtaining the status of a resident, i.e. the subject composition. In this case, the use of land for activities on the territory of the SPV is mandatory. It is obvious that in the case when a resident of the SPV acquires a land plot after he has received his resident status (for example, acquires an additional land plot), in respect of this plot he will enjoy benefits not for five years, but from the moment of its acquisition until the end of the five-year period of resident status. T.E. if the site was purchased, for example, four years after the resident carried out its activities, the benefit will be used only one

year. In this regard, it would be logical to establish separate municipalities (Slavic urban settlement and seaside city settlement of Khasan municipal district of Primorsky Krai) beginning of the period of use of the benefit from the month of origin of rights on land (this can be as the right of ownership and right of permanent (perpetual) use or right of lifetime inheritable possession).

Since the tax period for land tax is a calendar year, the benefit can be used starting from any month of the tax period. The wording chosen by the City Duma of the Petropavlovsk-Kamchatsky city district of the Kamchatka territory, according to which the benefit is established for 5 consecutive tax periods, starting from the tax period following the tax period in which the person is granted the status of a resident of the SPV, is not successful. Based on the literal interpretation of this rule in the year of obtaining the status, the resident can not count on the privilege of paying land tax. It should be concluded about the low legal technique of this normative act and the need to adjust it.

The analysis of Federal land tax benefits established by the Tax code of the Russian Federation shows the lack of unity on the issue of determining the moment of commencement of benefits for taxpayers-participants of different territories with a special regime of entrepreneurial activity. For residents of SEZ and SEZ such term begins to flow from the moment of emergence of the property right to each land plot, and for the shipbuilding organizations having the status of the resident of the industrial and production special economic zone, for example, from the date of registration of such organizations as the resident of SEZ.

At the same time, the question remains unresolved as to how the terms should be calculated and the benefits applied in cases where there is a change in the land plot (division, allocation, Association, etc.). Paragraph 2 of article 395 of the tax code, introduced by Federal law of 27.11.2017 No. 353-FZ, establishes that in such cases, tax benefits are not applied to certain categories of residents of SEZ. Since land tax benefits for SPV residents are not regulated by the Tax code of the Russian Federation, and municipal legal acts do not

contain any provisions on this matter, it should be concluded that in case of such situations, all contradictions should be interpreted in favor of taxpayers, as established by paragraph 3 of article 7 of the Tax code of the Russian Federation.

### 3. The procedure for confirming the tax benefit.

A number of municipalities have established mandatory requirements to confirm the right to use the benefit.

For example, in the Soviet-Havana municipal district, taxpayers-organizations are obliged "within the terms established for the submission of tax returns (calculations) on the tax, to submit to the Financial Department Of the administration of the Soviet-Havana municipal district information confirming the existence of grounds for the application of benefits. The information should contain information about the taxable base for the tax on the amount of tax calculated on a common basis and applying the benefits, the benefit amount and information confirming the existence of grounds for application of tax privilege. Confirmation by the Financial management of the right to use the benefit is recognized as one of the conditions of its use".

In Vanino municipal district duty to provide documents and tax returns in the financial management of the administration of the Vanino municipal district to be eligible to receive the tax benefits conferred not only on organization but also on individual entrepreneurs, which is contrary to article 396 of the Tax code of the Russian Federation, which establishes that individuals pay tax based on the tax notice.

In most municipal legal acts on the introduction of land tax, there are no special requirements for confirmation of the right to a tax benefit. In the literature draws attention to several features related to the application of tax benefits, including such as: the lack of NK of the Russian Federation the exhaustive list of documents that must be submitted to the tax authorities for confirmation of the correct application of tax benefits and the lack of a unified approach to providing tax relief to specific categories of taxpayers on various taxes, as well as in different regions and municipalities [26,

p. 270-271]. Let's turn to the Federal legislation on taxes and fees.

Article 12 of the Tax Code of the Russian Federation defining the terms of reference of representative bodies of municipalities, gives them the right to establish tax benefits, grounds and procedure for their application, in the manner and within the limits provided by the Tax code of the Russian Federation. This provision is General and applies to all local taxes, taking into account the specification in the second part of the Tax code of the Russian Federation . Based on the norms established by article 23 of the Tax code of the Russian Federation on the obligation of the taxpayer to provide tax returns; 56 of the Tax code, which establishes the authority to establish exemptions on local taxes by representative bodies of municipal formations on taxes; as well as the norms of articles 395-396 of the Tax code of the Russian Federation on the application of exemptions from land tax, it should be assumed that organizations and individuals set a different procedure of application and proof of right to exemption for land tax. For individual entrepreneurs who do not file a tax return, but pay land tax on the basis of a tax notice, the declarative procedure for using the tax benefit is established in paragraph 10 of article 396 of the tax code. The taxpayer is a natural person makes an application on granting tax incentives and also shall be entitled to submit the documents confirming the right to such privilege. Until January 1, 2018, the submission of documents was mandatory, by the Federal law of September 30, 2017. No. 286-FZ "on amendments to part two of the Tax Code of the Russian Federation and certain legislative acts of the Russian Federation" excluded the obligation of individuals to submit documents confirming their right to tax benefits on property taxes. In the absence of such documents, the tax authority requests them independently from the bodies, organizations, officials who have this information.

It is necessary to pay attention to features of establishment by the Tax code of the Russian Federation of the right of the physical person to confirmation of a tax privilege on property taxes. General requirements are established by article

361.1 of the Tax code of the Russian Federation, introduced by the Federal law of 03.07.2016 No. 249-FZ in relation to tax benefits on transport tax. According to the land tax and property tax of individuals of separate rules on confirmation of privileges is not fixed, and reference norms to Art. 361.1 of the Tax code of the Russian Federation are established. Thus if concerning the tax on property of individuals this reference norm contains in Art. 407 "Tax privileges", then concerning the land tax in item 10 of Art. 396 of the Tax Code of the Russian Federation establishing the order of calculation of the tax and advance payments on the tax. This discrepancy in the application of tax incentives reaffirms that "there is a close relationship benefits with other elements of the legal structure of the tax" [23, p. 116], in connection with what is admittedly controversial point of view that the ability to change elements of taxation by establishing tax benefits is contrary to article 387 of the tax code of the Russian Federation [16, p. 124-125]. At the same time, it should be recognized that the establishment of rules for the application of tax benefits in the article devoted to the calculation of tax, rather indicates a lack of legal technique in the adoption of certain provisions of the Tax code of the Russian Federation.

For taxpayers-organizations, there is another procedure for applying the tax benefit – they apply it when calculating land tax taking into account the coefficient established by paragraph 10 of article 396 of the tax code. Thus, organizations declare the application of the tax benefit in the tax return. Thus as the Tax code stipulates here only the basic requirements for tax relief, effectively giving the right to the representative bodies of municipalities to establish features of their application in the municipal legal acts can meet different requirements for the confirmation of the tax benefits, which have already been mentioned above.

## 5. Conclusions

In connection with the limitation of their own powers (including in the financial sphere) of

municipalities located in territories with a special legal status, one of the powers that municipalities exercise is the establishment of local taxes and fees, as well as local tax benefits for residents of such territories. In most cases, such benefits are provided at the federal level, so municipalities only "implement the will" of the Federal legislator, introducing a local tax on their territory.

In the absence of Federal regulation, benefits will be set at the discretion of local governments, which can lead to competition and unequal economic conditions for residents. Thus, for residents of the Free port of Vladivostok (which includes 22 municipalities located in five subjects of the Russian Federation), in the absence of Federal regulation, land tax benefits will be established by the municipalities themselves, which in practice leads to differentiation of land tax payment in the territory of the Free port of Vladivostok.

Analysis of municipal legal acts shows that not all municipalities have introduced land tax benefits for residents of SPV. All municipalities that are part of the SPV can be divided into three groups:

- land tax relief established;
- land tax relief is not established;
- there is a zero rate on land tax.

In those municipalities in which the benefit is established, there is also a different approach to its establishment. There are several criteria for establishing a tax benefit.

1. The tax benefit is established in the form of full or partial exemption from tax.

1) full exemption from payment of land tax without limitation of the term of the benefit.

2) full exemption from land tax for a specified period (the first five years from the date of receipt by the taxpayer of the status of resident SPV; the first two years from the date of obtaining the status of resident SPV; within three years from the date of receipt of the resident status of SPV).

3) the combination of full exemption from land tax for a specified period, followed by partial exemption from tax (consequential benefit of a partial tax exemption on expiry of full benefits. As a rule, the term of partial exemption is the same - within the next five years from the month in which the tax rate



of land tax on full exemption ceased to operate, but the amount of the benefit provided by each municipality establishes differently).

2. The period in which the tax benefit is valid (the beginning and end of the benefits): within the first five years from the date of receipt by persons of the status of resident of the free port of Vladivostok, starting from the 1st day of the month following the month in which they received such status.

It seems logical to establish in some municipalities the beginning of the period of use of benefits from the month of occurrence of rights to land.

3. The procedure for confirming tax benefits: the establishment of municipal education mandatory requirements to be eligible to use benefits; no special requirements on the confirmation of the right to a tax credit.

Thus, in order to exclude competition between municipalities, as well as due to the importance of the goals set by the state, creating territories with special economic status, it seems necessary to establish a General list of benefits in such territories at the Federal level by the Tax code of the Russian Federation with the possibility of expanding such benefits at the regional and municipal level, taking into account local characteristics.

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