

## THE AMENDMENT OF THE LEGAL REGULATION OF THE INSTITUTION OF TAX INCENTIVATIVE IN THE RUSSIAN FEDERATION

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The article is devoted to the institution of tax incentives, which is currently significant important for the development of the Russian state, that is objectively determined by the essence of tax incentives, which consists in intensifying the legal behavior of subjects of specific relations. Based on the analysis of the theoretical and legal foundations of tax benefits, the author developed a definition of tax incentives, highlighted its stages, analyzed the problems of legal regulation of the institution being considered, as well as legal means to increase the effectiveness of tax benefits.

The purpose of the study. Analysis of legal regulation and practice of applying tax incentives in the Russian Federation, identifying existing problems, as well as formulating proposals of a theoretical and practical nature to improve the current tax legislation governing the institution of tax incentives in the Russian Federation.

Research methods. The research was carried out through the use of a complex of general scientific methods (analysis and synthesis, deduction and induction, logical method, system analysis, etc.) and private scientific (special legal) methods. The main research method was the formal legal method, which made it possible to identify gaps in the legal regulation of the process of tax incentives in Russia and to formulate proposals for supplementing and changing certain regulatory provisions of tax legislation.

Main scientific results. As a result of a comprehensive analysis of the legal regulation of the institution of tax benefits in Russia, theoretical provisions were formulated and substantiated, revealing the specifics of the content and essence of tax incentives, taking into account the current state of development of the national and world economy.

Conclusions. The article draws conclusions about the importance of tax incentives for reforming the Russian system of taxes and fees in the context of developing the economic potential of business entities. The scientific research contains author's proposals for improving the current tax legislation in order to effectively use the institution of tax incentives in Russian practice. The obtained scientific results testify to the achievement of the set research goal.

## 1. Introduction

Tax incentives are one of the leading instruments of the regulatory function of taxation, which is of particular importance in modern conditions of anti-crisis regulation and active influence carried out by the state in relation to a variety of economic and social processes. The effectiveness of using the full potential of the above-mentioned tool largely depends on the completeness of the legal regulation of the institution of tax incentives.

The institution of tax incentives is causing a lot of discussion at the moment. One of the reasons for his regular criticism is a significant reduction in the fiscal function of taxes through the spread of the mass practice of providing tax benefits. Due to the scale of the use of this institution, a large amount of funds does not go to the budgets of the appropriate level, which creates serious threats to the stable economic development of Russia and its particular regions.

However, at the same time as challenging tax benefits in the context of the fiscal function, significant attention is currently being paid to their stimulating function. Taking into account the crisis situations that are observed in many sectors of the Russian economy, stimulating the subjects of this activity by providing them with advantages in the taxation process acquires serious social significance. Tax benefits contribute to a fair redistribution of income and create the necessary foundations for the implementation of social support for certain categories of the population and the further development of the social policy of the state as a whole.

Taking into account the fact that through tax incentives legal regimes are created for the functioning of the recipients of the relevant benefits in a preferential position in relation to other participants in tax relations, the effectiveness of their activities is significantly affected by the problems of legal regulation. The lack of uniformity and consistency in tax legislation regarding the regulation of the process of granting tax benefits significantly complicates the perception and understanding of these regulations on the part of taxpayers, and also very often cause their ambiguous interpretation by authorized executive

bodies and courts. In this regard, the search for solutions to the existing problems of legal regulation of the institution of tax incentives in the Russian Federation becomes particularly relevant.

It should be noted that in the Russian legal literature there are comprehensive studies on tax benefits [1; 2; 3; 4; 5]. However, the tax system of the Russian Federation has undergone significant changes over the past decade, which has been reflected in the process of improving industry legislation, there is a need to study the specifics of providing tax benefits in modern legal and economic conditions.

## 2. Theoretical and legal foundations of the institution of tax incentives

Russian legislation and law enforcement practice quite often turn to the institution of benefits at the present time in connection with various socio-economic transformations taking place in the modern world. Benefits are directly related to global trends, and also depends on the specifics of the financial and legal development of each particular state, and the Russian Federation is no exception in this case.

Tax benefits are a kind of legal benefits since they have appropriate goals and mechanisms for ensuring the interests of subjects of economic relations within the framework of the taxation process of their activities by legally providing an opportunity to minimize or completely eliminate the need for the payer of taxes and fees. The use of benefits as a tool of legal influence in the tax sphere makes it possible to legitimately expand the list of incentive and dispositive methods used, which in general has a positive effect on the economic sphere of the life of Russian society and the state.

The concept of "tax incentive" is rarely used in regulatory legal acts, however, some theoretical and legal developments of the mechanism of legal incentive are found in the specialized literature. Thus, it is necessary to agree with the opinion of I.S. Morozova that the mechanism of benefits is "a set of legal means (preferential) and other legal instruments that are built into a logically sound system depending on the specifics of their impact on certain groups of public relations and through which specific legal regimes are created" [6, p. 77]. This definition focuses on the content elements and their

systematization.

Tax incentives should be understood as the process of granting benefits to certain categories of taxpayers regulated by the norms of current legislation, through which special legal regimes are created. It is important to note that this process is ongoing, and therefore it seems necessary to distinguish the following stages of tax relief:

- 1) definition of subjects of preferential legal relations in the tax sphere, which should include both authorized state authorities and their officials, and recipients of tax benefits;
- 2) specification of the requirements established in the Russian tax legislation for the provision of certain tax benefits;
- 3) performing legally significant actions to establish a legal connection between recipients of tax benefits and state bodies whose competence includes the provision of tax benefits;
- 4) realization of subjective rights by recipients of tax benefits through their use.

Tax relief is a dynamically developing process that is constantly being transformed taking into account the existing realities in the financial and legal sphere. This dynamism is also manifested in the functions that tax incentives perform at different stages of the development of the Russian state. So, according to T.V. Arcer "tax incentives are one of the main practical tools for conducting state regulatory fiscal policy, along with such tools as changing the mass of tax charges, maneuvering methods and forms of taxation, differentiation of tax rates, changing the scope of their distribution and the use of special tax regimes" [7, p. 71]. It is necessary to agree with the above opinion that tax benefits are related to the fiscal function of taxation, however, the stimulating function of tax benefits seems to be more relevant for the present.

Taking into account the fact that tax benefits provide certain advantages to certain subjects of economic relations, this situation creates a number of questions regarding the fairness of such a special situation of some individuals and legal entities [8, p. 132]. However, it is important to note that the provision of relevant benefits is primarily due to a socially significant goal, which is to promote the stable functioning of certain most vulnerable subjects of economic

relations or to encourage the development of certain spheres of life of Russian society and the state. The preferential legal status of the above-mentioned persons allows them to realize their economic potential by minimizing taxation, which generally has a positive impact on the socio-economic development of the state. Thus, tax incentives are the main element of the mechanism of legal incentives.

Based on the analysis of the theoretical and legal foundations of the application of tax benefits, it should be concluded that the institution of tax incentives is a set of interrelated legal norms that are a specific part of tax law and regulate a relatively independent kind of public relations that arise in the process of providing tax benefits to individuals and legal entities in the Russian Federation.

### **3. Legal regime of tax benefits**

Speaking about the improvement of the institution of tax benefits in Russia, it should be noted that at present there is a high level of actual inequality in the situation of various categories of citizens, who are provided with particular tax benefits. In this context, the primary task is to develop effective ways to eliminate such inequality. Some legal scholars propose to lay the basis for the measures being developed to provide a mechanism for providing legal advantages to the most disadvantaged categories of taxpayers [1, p. 11]. However, in this case, there is a very significant limitation of the analyzed institution. This situation develops due to the fact that benefits are used not only to solve a wide range of issues in the social sphere, because there is an objective need, but also their role is to stimulate the economy.

It should be noted the special importance of the legal regime of tax benefits, which is an algorithm of tax regulation fixed at the level of the current national legislation, within which the principles of using various legal means are properly combined: permits and prohibitions, obligations and recommendations [9, p. 185], incentives and restrictions [10, p. 19]. In the modern legal literature, the legal instruments used in the functioning of individual legal regimes are usually differentiated into stimulating or limiting ones. In this case, the legal regime of tax benefits is mostly considered as a stimulating regime.

In practice, the legal regime is used to achieve certain goals, which are strictly regulated in the provisions of the regulatory legal act that establishes the grounds for its introduction, operation and termination. When implementing the legal regime of tax benefits in practice, no special act initiating the fact of its introduction is being developed. The fundamental goal, which is planned to be achieved when implementing a special legal regime in practice, determines its main substantive aspects: the grounds for the introduction of a legal regime; the reasons that determined the need for its introduction. In this context, a set of elements forming the legal content of this regime is also determined, in particular, its validity period; the boundaries of the territory in which this regime will have a certain legal influence; objects to which this regime will apply, a list of existing incentives and restrictions; liability measures to which violators may be brought in case of illegal actions, etc. [11, p. 11].

Currently, there is a widespread opinion in the legal literature that the functions of legal regimes, representing the specified and most appropriate directions of legal influence, are conditioned by the need to achieve a number of fundamental goals. In particular, we may be talking about the need to streamline by applying a rather uncharacteristic method of activity in the field under study, as well as bringing specific public relations to the most optimal principle of their implementation, achieving the highest level of productivity within the framework of the functioning of the legal institution, developing effective mechanisms of legal regulation [12; 13; 14]. These functions are subject-practical tools, in view of which they are subject to proper specification, and are also implemented in a certain industry, and in close relationship with a certain object – in the case we are investigating, we are talking about benefits provided to taxpayers. Modern research works are characterized by the fact that in them the institution of state regulation and regulation of the process of economic development of the country on the terms of the use of the institution of taxation is also considered as one of the most significant and effective forms of public sector intervention in the economic life of

the country [15, p. 276].

Against the background of the events of 2014-2016, when very significant negative events took place in the economic life of Russia, the state authorities did not take the necessary measures to avoid putting into practice the course of modernization and innovative development of the economic sector, which is why many questions were raised in the legal literature about the expediency of using the institution of tax benefits in the current conditions, how it is possible to determine their productivity in general, if we consider them as a tool for activating the process of innovative development of the country [16, p. 9; 17, p. 334]. Thus, representatives of the scientific community, determining the most productive options, came to the conclusion that, if it is necessary to make a correct assessment of the effectiveness of spending funds, it is advisable to consider an alternative option for providing direct subsidies to the subjects of the innovative business sector, while taking measures to maintain generally equal conditions for taxation of subjects of the economic system [18, p. 79].

The fundamental goal of the legal regime of tax benefits is to implement in practice an ideal model of economic development and the development of the social sector, while ensuring proper regulatory regulation and using the necessary legal instruments combined into a single mechanism within a unified legal regime. Also, the main purpose of the legal regime of tax benefits is to stabilize tax relations, to solve the existing problems faced by taxpayers-recipients of tax benefits.

The conceptual design of the legal regime of tax benefits has not been carried out at present. This situation arises because even in the production of special research activities, the terminological category "legal regime" is used in most cases as a well-known concept, and therefore this term is often used in the legal literature when presenting the main parameters characterizing the objects of legal regulation, some types of activities, legal entities, and in most cases all this happens in conjunction with its purpose and the substantive essence of the analyzed regime within the framework of the legal regulation system.

At the level of most subjects of the Russian

Federation and municipalities, measures have been taken to develop and regulate the evaluation mechanisms used to establish the effectiveness of the use of tax benefits. Within the framework of regional practice, three fundamental evaluation methods are most often used: budgetary, social and economic. There is also a clear tendency to use an aggregated indicator indicating the level of the achieved effect.

Within the framework of the regulatory acts being developed and implemented at the level of the subjects of the Russian Federation, if they present evaluation methods for determining the economic effect, when using tax benefits, in most cases a similar set of financial and economic indicators is used, which is also used to determine the social effect, which is why there is a fairly close relationship between them [19, p. 315].

To get out of this situation, it is necessary to synthesize the evaluation methods used, and therefore it is required using a wide range of parameters, which are largely due to the process of granting a tax benefit, to assess and determine the effect, after which it is necessary to establish the level of efficiency represented by a proportional ratio of the strictly considered effect achieved as a result of the use of the tax benefit and expenses, which was necessary to bring it to taxpayers.

Summarizing, it can be noted that almost all subjects of the Russian Federation and municipalities have already adopted regulations that strictly regulate the evaluation methods used to establish the level of effectiveness of tax benefits [20, p. 51].

The method of quantitative assessment causes significant difficulties for its perception, which is why it is necessary to involve experts to interpret the results achieved as part of the generalization and production of evaluation measures to determine the comparability of criteria that affect the evaluation parameters, when taking the necessary measures to determine the errors made, as well as to identify the fundamental causes that caused the dynamics of indicators, and the consequences that arose on this basis. For this reason, until the evaluation methodology, supported by the necessary scientific arguments and justifications, which has passed the procedure

of conceptual regulation and consolidation in the relevant normative acts, is provided with proper interrelation with expert interpretation of the results, at least at the level of the subjects of the Russian Federation from the introduction of tax benefits, we will also be talking about some mechanism that practically has no positive impact on the process of optimization and rationalization of the institution of tax administration.

#### **4. Problems of legal regulation of the institute of tax incentives and ways to solve them**

Currently, tax legislation is in force in Russia through which the order and boundaries in which the optimization of the tax burden can be carried out are determined, but to date, the stage of formation of the institute of tax incentives has not yet been completed. This situation arises due to the fact that at the state level, the problem of ensuring productive management of tax optimization volumes, which does not contradict legislative requirements and supported by the necessary economic grounds, began to be solved relatively recently.

Tax benefits should be considered as one of the possible forms of implementation in practice of the regulatory function that taxes are designed to carry out. For this reason, there is an objective need to ensure strict regulation and fixing them exclusively in the provisions of special legal norms. In any case, such norms will demonstrate their subsidiary nature, which in turn presupposes the existence in any case of some general norm (general rule), in relation to which they will be considered as a legal exception [1, p. 14].

When organizing the process of collecting federal taxes in Russia, the legal regulation of tax benefits provided for these types of taxes is carried out by the Tax Code of the Russian Federation. All existing tax exceptions in the form of tax benefits provided, categories of taxpayers and individual industries for which the process of benefits is provided are fixed in the norms of the Tax Code of the Russian Federation.

In the context of exclusivity and significant changes in the legal status of subjects to whom tax benefits are granted, constitutional principles are of particular importance. Since the substantive essence of tax benefits implies the provision of advantages to

certain categories of tax payers in the form of removing from them the obligation to pay the established tax fees in full or in part, questions often arise about the legality of the special situation of the relevant subjects. Also, no less significant are the issues that consist in the establishment and withdrawal of a tax benefit, making changes to its maximum size.

Despite the fact that issues related to tax incentives are quite common in the practice of the Constitutional Court of the Russian Federation, this judicial body has not yet formulated a clear and unambiguous position when considering these aspects. Most often, the Constitutional Court in its interpretations only states the fact that when granting benefits, in any case, their targeted nature will be traced, and the powers to introduce them belong to the category of the exclusive prerogative of the legislator. At the same time, an assessment of the effectiveness and necessity of providing tax benefits to a separate category of payers is not given, due to the fact that this issue is beyond the competence of the Constitutional Court.<sup>1</sup>

Despite the problem outlined above, the judicial practice developed during the functioning of the Constitutional Court of the Russian Federation has allowed us to formulate an extensive list of principles according to which it is necessary to organize and implement in practice measures within the framework of preferential taxation.

In particular, when considering this issue M.V. Baglay, in his Dissenting opinion on one of the cases on tax benefits, voiced a position supported by the necessary grounds and arguments, according to which the duty of the legislator in the production of measures to determine the most appropriate forms of taxation is to perform the designated actions on the conditions of compliance with the principles of goodness and justice proclaimed in the norms of the Constitution of the Russian Federation (cit. according to: [21, p. 312]). Also, the judge in this case noted that the basis of

the rule of law is to ensure formal equality, but there is no need to exaggerate the situation to such an extent that, while ensuring equality of citizens and their freedom, measures will be taken solely to achieve formal equality of their legal statuses. Sometimes, by taking measures to impose restrictions on the rights of certain categories of persons, it is only in this way that it is possible, using legal means, to ensure proper protection of the rights of other categories of persons. Therefore, the main purpose of providing reasonable benefits to certain categories of citizens is to eliminate ethical problems arising as a result of ensuring formal equality of all citizens of Russia.<sup>2</sup>

Representatives of the public, the business sector, as well as the scientific community in the field of jurisprudence are rightly concerned about the trend of frequent changes in the current tax legislation. At the same time, the adopted legislative acts do not demonstrate their proper quality, since such a development of events has a significant negative impact on the entire state tax system. With regard to tax incentives, a significant disadvantage is the absence in Russian practice of an effective methodology for monitoring and evaluating the performance of applied tax benefits, which is why the situation is such that it is not possible to assess the effectiveness of their adoption and action, and it is also impossible to make a forecast about the development of events in this area, as a result of which the mechanism of tax regulation itself loses its substantive and semantic essence.

There are active discussions in the modern legal literature on the expediency of applying tax benefits at the present time, taking into account the difficulties of the socio-economic development of the Russian state. Most legal scholars note the importance of tax benefits and the need to improve their legal regulation and practice of granting, in particular, taking measures to streamline this system; concentrating powers in it to perform only a regulatory function; effective fight against corruption; determination of the most significant

<sup>1</sup> Court ruling of the Constitutional Court of the Russian Federation dated November 20, 2003 No. 392-O "On refusal to accept for consideration the complaint of citizen Pronchenko Alexander Yakovlevich for violation of his constitutional rights by subparagraph 21 of paragraph 2 of Article 149 of the Tax Code of the Russian Federation".

<sup>2</sup> Decree of the Constitutional Court of the Russian Federation No. 9-P dated April 04, 1996 "On the case of checking the constitutionality of a number of normative acts of the city of Moscow and the Moscow Region, Stavropol region, Voronezh region and the city of Voronezh regulating the procedure for registration of citizens arriving for permanent residence in the named regions"

criteria and assessment methods to determine the effect achieved in the case of the introduction of each type of tax benefit; eradication of conditions that create the ground for abuse in the tax sphere, etc. [22; 23; 24]. In this context, attention should be focused on the need to systematize the existing norms of the current legislation and supplement them with the missing ones. It is also required to observe the principles of transparency in the process of using the regulatory provisions of these laws, and the importance of organizing productive control in this case is unconditional.

Currently, tax policy in the Russian Federation is focused on a gradual transition to a simplified procedure for granting tax benefits, according to which applicants will not need to present the necessary documents to receive benefits. This initiative, on the one hand, will significantly accelerate tax benefits in case of ensuring effective interdepartmental interaction for tax authorities in order to independently collect the necessary information from external sources, but on the other hand, it may lead to the spread of illegal behavior in this area in the event of technical failures or lack of information about the applicant. In this regard, it seems necessary to maintain the declarative procedure for granting tax benefits in the Russian Federation, especially for legal entities.

Currently, Russian legislation quite rightly provides for the simplification of the turnout procedure for granting benefits to certain categories of the population, which is due to the need for their social support. In this context, the issues of improving the procedure for granting benefits to business entities, for which it is proposed to preserve the turnout and permissive format for granting tax benefits in order to reduce the risks of spreading illegal behavior in tax-preferential relations, are of particular relevance. For these entities, the process of tax incentives should be focused on the legality of their behavior in tax legal relations. It is proposed to fix at the legislative level the condition of the absence of arrears from the relevant entities on taxes, fees, insurance premiums, penalties, fines for the provision of tax benefits, and in case of violation of tax legislation to provide for consequences in the form of loss of the possibility of applying tax

benefits for a certain period. For conscientious taxpayers, it is proposed to simplify the procedure for granting tax benefits or to extend the period of their application. The process of tax relief should be carried out when paying taxes, which will increase business confidence in public administration in this area, and for the budget, this procedure contributes to the unification and reduction of transactions and other processes of financial accounting of income / expenses.

For this reason, the principle of 'declarativeness' when receiving tax benefits by taxpayers should be fixed in the legislative norm, in order to exclude a situation when the Federal Tax Service authorities will, in the absence of grounds, decide to refuse to reimburse the amount of tax paid and/or delay the return of designated funds to the taxpayer, which, ultimately, will eliminate the possibility of abuse and corruption in the designated sector.

The accumulated world practical experience to date indicates that the key area of activity in the development of an effective legal regime for the provision of tax benefits is to eradicate corruption in the taxation sector.

In this context, it seems most appropriate to use in practice such a model of taxation, which will be based on the following main components:

- a system of legislation characterized by the absence of contradictions and inconsistencies in it;
- exclusion of direct contact between tax payers and employees of tax authorities when calculating and paying established tax fees;
- preventing the possibility of making decisions on the provision of tax benefits in the so-called manual mode.

Within the framework of his scientific activity, V.M. Zaripov voiced a reasoned position, according to which at present, in the conditions of Russian realities, the existence of a problem in the Russian tax system is noted, moreover, it demonstrates its chronic nature and has not yet received a proper solution. It lies in the fact that often-introduced tax benefits are provided unreasonably and represent exceptions to the universality of taxation. The development of events in this way not only causes a significant increase in risks in this sector, but also becomes a kind of

negative tradition when there is an "uncontrolled multiplication" of tax benefits [25, p. 106].

In order to ensure an optimal solution to this problem, most lawyers propose the establishment of Commissions at the regional level, which will be responsible for issues related to ensuring the optimization of tax benefits. It is assumed that it is necessary to include in the composition of such commissions the heads of specialized departments of the supreme executive authority of the subject of the Russian Federation, deputies, employees of tax authorities, representatives of the scientific community and the business sector [26, p. 21].

Of course, there is a need to eliminate the principle of arbitrariness when introducing new tax benefits, supporting them with objective grounds. In this context, it seems necessary based on the analogy with the normative provisions of paragraph 3 of art. 3 of the Tax Code of the Russian Federation, to regulate at the level of current legislation the requirement that when making proposals for the introduction of each type of tax benefit, the expediency of its use should be supported by legal, economic and social circumstances, the formulation and search for which will be carried out by the initiator of the proposed changes. Turning to the issue of ensuring the socio-economic justification of the proposed benefits, in this case, as an argument indicating its expediency, it is necessary to consider the economic benefit that the public system will be able to receive as a result of the introduction of benefits into practice. Also, when submitting a draft law for consideration, which implies the need to introduce a new incentive benefit, it is required to approve the procedure for providing a special justification for expediency, within which all necessary calculation procedures will be carried out and indicators of employment increase, investment activity activation, demand growth and innovative development will be predicted. Also, when presenting this justification, it is necessary to predict the expected growth of revenues allocated to the budget, paying special attention to the medium term, in addition, it will be necessary to provide information on the achievement of other types of beneficial effects, including calculations of

obtaining the so-called projected deferred effect [27].

In the modern legal literature, the opinion is often expressed that such a calculation, in accordance with its structure, will show significant similarity with the investment development plan, therefore, the responsibility for its development and preparation will be assigned to the person who directly initiated the introduction of this benefit. In addition, the initiator will be required to form the necessary base on which the monitoring process of tracking the productivity of the applied benefit will be organized [28, p. 210; 29; 30]. At the same time, in this context, experts do not say that it is also necessary to legislate the procedure for checking such calculations by the authorized body. Such a requirement is due to the fact that if the initiator of the benefit presents a financial and economic justification and the expediency of its implementation, there may be a vested interest, due to the influence of which the indicators may be unreasonably overstated, and the possibility of their unintentional overstatement cannot be excluded.

The current Russian legislation establishes the procedure according to which draft laws, within the framework of which it is planned to introduce certain types of tax benefits, can be submitted to the State Duma only if, based on the results of their analysis and consideration, a corresponding conclusion of the Government of the Russian Federation is received. The practical implementation of the requirement of this provision is carried out in a rather specific way, when cardinal changes are sometimes made to the proposed bills, despite the fact that it has already been adopted in the first reading, and when it was introduced for the first consideration, it was already accompanied by the conclusion of the Government of the Russian Federation. As a result of the adjustments made to the draft law, during its discussion, its structure and essence change so much that, ultimately, a conclusion can be given for a completely different issue and document. As a result, the situation develops in such a way that, in the case of amendments and adjustments determining the need to introduce new types of tax benefits, there is a violation of the regulations provided for in Part 3 of Article 104 of the Constitution of the Russian

Federation due to the fact that there is no need to obtain an appropriate conclusion for the purpose of amendments.

It is an absolute fact that in a situation where there is a requirement that the original text of the draft law on the introduction of new types of tax benefits must necessarily be accompanied by the conclusion of the Government of the Russian Federation, there is a need to obtain an appropriate conclusion for all amendments. If this principle is observed, in this case, the degree of openness of the process initiated and implemented in practice in order to accept tax benefits will also be increased. In addition, there is a need to impose certain restrictions on the process of making adjustments to the essence of the bill, when determining the list of tax benefits proposed for implementation in the first reading. The inclusion of new types of tax benefits in the list after the completion of the first reading should be considered as a violation that should be prohibited at the legislative level.

### **5. Conclusions**

Thus, to date, the systematic and comprehensive resolution of issues related to the improvement of the current tax legislation in terms of theoretical and legal consolidation and regulation of the institute of tax incentives is of particular importance.

In the process of using the preferences regulated by the institution of tax incentives in the calculation of federal taxes, a certain number of difficulties arise that require their immediate

resolution. First of all, we are talking about the fact that the formulations available in modern tax legislation are presented in a general form, there are a large number of inconsistencies and gaps in the institution of regulation of tax relations, which is why there is a tendency for a rapid growth of disputes and litigation on the legality of the application of tax benefits.

Currently, there is an objective need to consolidate certain issues at the level of the current federal legislation in order to eliminate existing contradictions and gaps. Only in this case will the principles of uniformity and stability of tax legislation be observed, and the procedural nuances of tax incentives will be optimized. Among these, it is necessary to single out a consistent mechanism for the introduction of new tax benefits, for which it is mandatory to fix at the level of federal tax legislation the requirement to back up draft laws on the establishment of tax and fee benefits with financial, economic and socio-economic justification of the proposed changes. Also, in the context of the dynamic development of the institute of tax incentives, it seems necessary to consolidate a regulatory provision obliging the federal executive authority with powers of control and supervision in the field of taxes and fees to publish on the official website a general list of relevant tax and fee benefits provided at the federal level, the level of the subject of the Russian Federation, the level of local self-government.

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