UNITED KINGDOM AS ONE OF THE TAX GIANTS: WORLD PRACTICE AS THE BASIS OF TAX DEVELOPMENT OF UKRAINE

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Among the first tasks of the government, it is to ensure sustainable socio-economic development, which is impossible without the development of investment activities, that the most important place is given. Of course, the tax system is the most significant factor among the instruments of state regulation, determines the favorability of the country's environment for investment activity.

The current state of the economy of our state obliges to focus on tax problems, the formation of a reasonable approach to solving the problems of tax burden on economic entities, taking into account the specifics of tax policy in highly developed countries of the world. The study of the foreign experience of "tax giants" to which the UK rightfully belongs, makes it possible to apply world experience and take into account the most important ideas in the process of creating and reforming the tax system of Ukraine [1].

Global analysts, exploring the UK tax system and focusing on changes and innovations in the tax system, legally consider it one of the most favorable in the world for doing business. So, in the ranking of ease of doing business Doing Business 2020 from the World Bank, the country ranks eighth; in the ranking of global competitiveness - ninth; in terms of business performance - second place among the G-7 countries (after the USA) and second place in Western Europe (after Denmark) [2].

Having studied the classification characteristics of the British tax system, they learned that it consists of direct income taxes, indirect and local taxes. Thus, individuals and legal entities are payers of income, corporate tax, value added tax, capital gains tax, stamp duty, inheritance and gift tax, dividend tax, customs tax, premium tax and environmental tax [3, 4, 5]. So, let's describe the most important of them.

Income tax) is a progressive tax paid on the income of individuals, including for many types of state benefits. Taxable: income earned at the place of employment; Profit generated (if it is not an employee), including profits from services that are sold through websites or applications; some state benefits; most pensions (including public pensions, corporate and personal pensions and pension payments); rental income (if you are not a homeowner living in an apartment and receive less than the room rental limit); trust income; interest on savings in excess of savings assistance.

Non-taxable income is £12,570. The amount of income exceeding £12 570 is taxed at the rate of 20%, £50 271 to £150 000 is taxed at the rate of 40%. Income above - £150 000 is taxed at a rate of 45%.

There are certain features in the collection of this tax. Thus, they are not subject to taxation:

- the first £1 000 of income from self-employment ("trade allowance");
- the first £1 000 of income from leased property (if the room rental scheme is not used);
- Income from tax exempt accounts such as Individual Savings Accounts (ISA) and National Savings Certificates;
- dividends from the company's shares in your dividend amount;
- Some State benefits;
- winning premium bonds or National Lottery;
- rent received from the tenant of the rented apartment, if it is below the rental limit.

Corporation Tax pays profitable enterprises as a result of doing business, investing and selling assets at a price that exceeds their value. Corporate income tax rate - 19%.

Value added tax (VAT) in the UK has a main rate of 20%, a reduced rate of 5% and zero. A single (fixed) VAT rate can be applied by enterprises with an annual taxable turnover that does not exceed £150 000. It is significantly lower than the main one and depends on the type of taxpayer's business. Goods exported outside the UK are zero-rated, subject to conditions.

Capital gains tax (CGT) is an income tax when you sell (or "dispose") something (something - an "asset"), the cost of which has increased. The profit received is taxed, not the amount of money received. It is charged at a margin rate from net capital gain - profit from the sale of the so-called "capital assets," that is, real estate, securities, franchises, goodwill (business reputation of the company), etc. The tax amount is calculated taking into account the period of time during which the asset was owned, as well as the level of income of the taxpayer.

There is a basic capital gains tax rate of 18% on profits from housing property and 10% on profits from other paid assets. The higher tax rate equates to 28% on home property profits of 20% on profits from other paid assets.

You pay Capital Gains Tax on the gain when you sell (or ‘dispose of’):

- most personal possessions worth £6 000 or more, apart from your car
- property that’s not your main home
- main house, if it was rented, used for business or it is very large
- shares that are not in an ISA or PEP
- business assets

Capital gains tax is not paid on certain assets, including any income received from ISAs or PEPs, UK government gilts and Premium Bonds and betting, lottery or pools winnings.

Stamp duty Land Tax (SDLT) is payable on the purchase of UK property or land. The tax is different if the property or land is in Scotland (pay Land and Buildings Transaction Tax) or Wales (pay Land Transaction Tax if the sale was completed on or after 1 April 2018).

Stamp duty is paid at one time at the last moment of the conclusion of the agreement by both residents and non-residents of the country, depends on the amount of the transaction. There are thresholds at which tax is not paid (if the price of real estate or land plots does not exceed their value).

Stamp duty rates in the UK are 0% if the premium for property or rent or the cost of transfer is lower £150000. The next £100 000 (the portion from £150 001 to £250 000). The next £100,000 (the portion £150,001 to £250,000) is taxed at a rate of 2%. The remaining amount (part above £250,000) is at a rate of 5%.

Inheritance tax - is paid by the lineal heir of property and/or money in case of the death of the owner.

However, the inheritance is not taxed with a total value of 325 000. All property and assets valued at a higher amount are taxed at a rate of 40%. Tax is levied on the amount of excess over the marginal value of inheritance or gift. This tax is one of the highest in Europe. For couples, in the event of the death of one of the spouses, since 2007, the non-taxable base for inheritance and donation is £650,000. There is also a rule of 7 years, according to which the donation of property, which occurred more than 7 years before the death of the giver, is subject to a rate of 0%.

Tax on dividends accrued if the amount of dividends exceeds £2 000 and is paid from the amount exceeding this limit. Depending on the size of dividends, tax rates will be - 7.5%, 32.5% and 38.1%.

Regarding duty taxation, it should be noted that the rate of duty in the UK varies from 0-17% depending on the group of goods.

Insurance Premium Tax (IPT) contains 2 tariffs: a standard rate (12%) and a higher rate (20%), which applies to travel insurance, insurance of mechanical or electric devices and insurance of some vehicles. There are certain exceptions to the taxation of premiums relating to long-term insurance; reinsurance; insurance of commercial ships and aircraft; insurance of commercial goods in international transit, etc.

The introduction of an environmental tax encourages business representatives to introduce cleaner production, while counting on receiving benefits (or exemption from taxation) for various types and sizes of business. This is likely when one of the following conditions is met, firstly, the enterprise spends a lot of energy due to the nature of the business; secondly, the enterprise has a small business that does not consume a lot of energy; thirdly, the company buys energy-efficient technologies for its business. Classification of environmental tax is carried out depending on the types of pollution (landfill tax; climate change levy; A charge for the release of CO_2 and harmful substances into the air; relief change fee).

Undoubtedly, the British tax system, formed back in the 17th century, is recognized as the most stable in the whole world due to the progressivity of most taxes and their growth in accordance with the increase in the tax base. It was the two-tier taxation system, combined with preferential regimes, that became the ideal basis for the country's economic development, attracting foreign capital and strengthening the country's investment competitiveness.

Of course, the implementation in practice of the British experience of reforming the tax system will contribute to the renewal of the tax model and the transition to a new sustainable tax system, which will be based on the synergy of best practices and borrowed positive elements from the experience of tax systems of foreign countries.

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