

THE IMPACT OF THE GLOBAL ECONOMIC PROCESSES ON THE TAX SYSTEM IN DEVELOPING COUNTRIES

Changes in the world economy and globalization in general led to the fact that the potential tax base for each individual single country is not now strictly limited areas of this country. In a sense it is already expanding to other parts of the global economy.

We can draw conclusions about the presence of both positive and negative consequences of this process by analysing the preconditions for the globalization development. But we can definitely affirm that the benefits of globalization are distributed unevenly in the world. Almost half the world's population is forced to live on less than 2 \$ a day and 1,2 billion people of the Earth exist on less than 1\$. Of the total labour force in the world (about 3 bln. people) – 140 mln. workers have no work at all. Inequality occurs in the distribution of income 1 billion people who live in well developed countries receive 60% of the world income, and the others 3/4 billion people earn less than 20% of income [2, 3].

Less developed countries feel on themselves the most unpredictable consequences of globalization. The bulk of them is involved in internationalization as suppliers of raw materials and labor-intensive products and manufacturers are comprehensively based on advanced countries and have small and unstable incomes. Ukraine refers to such countries.

For the analysis assessment of effectiveness and the level of global tax harmonization of well developed countries of the EU and Ukraine we suggest using quality indicators, such as the presence of the unified tax legislation a group of countries, the establishment of a single circle of taxpayers, the presence of clearly defined principles and mechanism for calculating the tax base, availability of the minimum amount of tax rate and the availability of a coherent system of privileges (Table 1).

As it is clear from the given table the level of tax harmonization (according to the data rates) in the EU is a lot higher than in Ukraine. Considering such taxes as VAT and excises, then all indicators of harmonization in the EU are made fully what concerns to the income taxes, there are much more differences that are present both in Ukraine and in the EU.

Unlike the tax systems of developed countries (the EU, the USA, Japan), in our opinion, the current tax system of Ukraine serves mainly the fiscal function, ignoring possibilities of regulating and stimulating functions.

For greater comparability it is worth giving the data in the development of tax systems globally: the average total tax rate in the world is 44,8% of commercial profits, the average number of tax payments per year is 28,5, and the average amount of time for these payments is 277 hours per year [4, p. 12].

According to the results of our analysis, the economic dynamics in the long term is impacted significantly today by such factors as: 1) the accumulation and diffusion of know ledge; 2) the accumulation human capital; 3) the level of institutions progress; 4) the quality of economic policy and bureaucracy.

Analysis of the tax harmonization in the EU and Ukraine

Group of countries	The type of tax	The establishment of a single circle of taxpayers	Availability				
			The unified law for all taxes	The unified method of calculating the tax base	The unified intervals of tax rates	The minimum amount of the tax rate	The agreement of tax privileges
the EU	VAT	+	+	+	+	+	+
	Excises	+	+	+	+	+	+
	ToI	-	+	+	-	-	-
	IT	-	+	+	-	-	-
Ukraine	VAT	-	+	+	-	-	+
	Excises	-	+	+	-	-	-
	ToI	-	+	-	-	-	-
	IT	-	+	-	-	-	-

The practical proof of given points is the high competitiveness of countries such as Finland, Sweden and Denmark. Despite even the highest level of taxation (Finland – 45,9% of GDP, Sweden – 50,6%, Denmark – 48,9%), they are leaders in the development of social welfare of their citizens [1, p. 23]. In our opinion, that is why today the strengthening of its stimulating effect on the formation of full value subjects of the market and all market infrastructure must become one of the components of the tax system optimization of Ukraine.

Consequently, global universal trends force countries to change their tax system, but now we observe a growing gap between the existing structure of these systems and contemporary global challenges. The main directions of improvement of the tax system, which first of all must be solved by the developing countries including Ukraine are as follows: stimulating the economy growth and economically proved its restructuring which would aim to improve the welfare of the population, the activation innovation and investment of the enterprise operation, the development human capital and encouraging the employment of the population.

References:

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