

ЕКОНОМІКА ТА УПРАВЛІННЯ НАЦІОНАЛЬНИМ ГОСПОДАРСТВОМ

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TAX METHODS REGULATING DEVELOPMENT OF SMALL BUSINESS IN DEVELOPED WORLD COUNTRIES**ПОДАТКОВІ МЕТОДИ РЕГУЛЮВАННЯ РОЗВИТКУ МАЛОГО БІЗНЕСУ РОЗВИНЕНИХ КРАЇН СВІТУ**

Urgency of the research. The system of state support for small business in different countries has its own peculiarities and is aimed at overcoming barriers preventing effective development of small business in particular economic conditions.

Target setting. For a more detailed analysis of the impact of various factors on development of small enterprises it is necessary to study the application of tax methods of regulation, which are different in countries with Anglo-American and Continental accounting models.

Analysis of scientific works of foreign and native authors regarding the influence of tax methods of regulation on business development in interconnection with the accounting models, and their impact on development of small business have not been investigated yet, thus necessitating further research.

Uninvestigated parts of general matters defining. For analysis of the influence of various factors on small business development it is necessary to investigate tax methods of its regulation, which are different in the countries with Anglo-American and Continental accounting models.

Purpose of the article is to study the application of tax methods of regulation and support for small business in western countries, their interconnection with accounting models (Anglo-American and Continental accounting models) and their impact on development of small business in the country.

Main research matter. Peculiarities of state regulation of support for small business in the countries with Continental accounting model facilitate access of small enterprises to the capital and new technologies (allowances, subsidies, soft credits), though in most countries government assistance is based on the principle of self-help (independence of enterprises), creation of equal competitive conditions and temporary nature of support for development of certain sectors or fields of activity.

In the countries with Anglo-American accounting model basic part of state support involves financial component, such as provision of low-interest loans and assistance in obtaining government orders.

In addition, many countries also establish methods of accelerated depreciation for small business on certain types of equipment, reduced income tax rates, tax credits on favourable terms and others.

Conclusion. Thus, countries with Anglo-American system of accounting have the best rating of the simplest tax systems, positively affecting development of small business in the country. The more consistent and understandable tax system is, the larger number of small enterprises can be founded, resulting in steady economic development of the state.

Актуальність теми дослідження. Система державної підтримки малого бізнесу в різних країнах має свої особливості і направлена на подолання перешкод, які заважають ефективному розвитку малого бізнесу в конкретних умовах господарювання.

Постановка проблеми. Для більш детального аналізу впливу різних факторів на розвиток малого бізнесу необхідно дослідити застосування податкових методів регулювання, які мають відмінності в країнах, що дотримуються англо-американської та континентальної моделей обліку.

Аналіз наукових напрацювань зарубіжних та вітчизняних авторів щодо впливу податкових методів регулювання розвитку бізнесу у взаємозв'язку із обліковими моделями та їх вплив на розвиток малого бізнесу не досліджено, що зумовлює необхідність подальших досліджень.

Виділення недосліджених частин загальної проблеми. Для аналізу впливу різних факторів на розвиток малого бізнесу необхідно дослідити застосування податкових методів регулювання, які мають відмінності в країнах, що дотримуються англо-американської та континентальної моделей обліку.

Метою статті є дослідження розвитку податкових методів регулювання та підтримки розвитку малого бізнесу в західних країнах, їх взаємозв'язку обліковими моделями (англо-американською та континентальною) та їх вплив на розвиток малого бізнесу в країні.

Виклад основного матеріалу. Особливості державного регулювання підтримки розвитку малого бізнесу в країнах, що відносяться до континентальної моделі обліку полегшують доступ малих підприємств до капіталу та нових технологій (надбавки, субсидії, пільгові кредити), однак в більшості країн державна допомога ґрунтується на принципі самопомозги (самостійності підприємств), створенні рівних конкурентних умов, тимчасовому характері підтримки розвитку окремих галузей або сфер діяльності.

В країнах англо-американської моделі обліку основну частину державної підтримки становить фінансова складова, а саме надаються кредити під низькі відсотки, допомога в отриманні державних замовлень.

Крім того, в багатьох країнах також для підприємств малого бізнесу запроваджують методи прискореної амортизації на окремі види обладнання, знижені ставки податку на прибуток, податкові кредити на пільгових умовах та ін.

Висновки. Отже, країни англо-американської моделі обліку, мають кращий рейтинг найпростіших податкових систем, що позитивно впливає на розвиток малого бізнесу в країні. Чим простішою та зрозумілою є

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податкова система, тим більше функціонує підприємств малого бізнесу, що позитивно впливає на економічний розвиток у країні.

Ключові слова: *малий бізнес; пільгові умови оподаткування; податкові методи регулювання; бухгалтерський облік; розвиток малого бізнесу.*

Urgency of the research. In the majority of advanced world countries small business has a dominant position occupying most sectors of economy. This fact is embodied not only in such slogans as "Business despite everything" in England and "Think first about small business" in the USA, but also in real efforts to create favourable conditions for the functioning and development of small enterprises. Facing the similarity of problems of small business, the system of its governmental support in different countries has its own peculiarities and is aimed at overcoming barriers preventing effective development of small business in particular economic conditions.

Target setting. Governments of developed countries usually assign small business, whose share is 70-90% of the total number of enterprises, a special place in stabilizing the economic situation of any country, though small enterprises are those who suffer the worst in case of significant deterioration of economic situation in the country. So, on the one hand, under conditions of worsening economic situation small business is the most affected, and, on the other hand, to improve the economic situation it is necessary to restore steady development of small business which is the foundation of economic system of every developed country.

Review of recent researches and publications. There is a large number of scientific works by such authors as M. M. Hursa, S. H. Dryga, L. O. Omelyanovych, O. V. Balabenko, O. V. Piskunova, O. V. Pyvovarov, V. I. Lishenko, M. O. Kyzym and others, in which native and foreign scientists explore the impact of tax methods regulating the functioning of business, including small enterprises. However, the use of tax methods of government control in the interconnection with accounting models (Anglo-American and Continental accounting models) and their impact on the development of small business have not been investigated yet, thus necessitating further research.

Identification of unsolved aspects of the problem. In the previous publications by the author (T. A. Gogol) international experience of small enterprises, as well as development of small business in Ukraine have been reviewed, together with peculiarities of accounting and taxation for small and medium-sized enterprises in Ukraine and the impact of accounting and taxation on small business development. However, for a more detailed analysis of the influence of various factors on small business development it is also necessary to investigate tax methods of its regulation, which are different in the countries with Anglo-American and Continental accounting models.

Purpose of the article is to study the tax methods of regulation and support for small business in western countries, their interconnection with accounting models (Anglo-American and Continental accounting models) and their impact on the development of small business in the country.

Main research matter. In western countries different approaches to the regulation and promotion of small business are distinguished, due to the varying degree of using direct and indirect methods of exposure. Direct methods of exposure involve provision of concessional loans, fully or partially guaranteed loans and targeted subsidies. Direct methods are those methods which directly regulate small business activities by means of interaction between the regulator (state or market) and small business itself: these are state orders, public investments and state loans. Indirect methods of small business regulation include provision of certain governmental guarantees for financial and credit institutions, the use of different methods and directions of fiscal stimulus for the expansion of production volumes, the growth of demand on goods and services, which can lead to the budget revenues and maintenance of economic stability in the country.

During the research tax methods of regulation and support for small business in western countries within Continental and Anglo-American accounting models will be analysed, keeping in mind that in previous researches by the following author main approaches to the international practice of taxation for small business within the above mentioned accounting models have been examined [1, p. 257-261].

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Now, the peculiarities of state regulation of small business and its support in the countries with the Continental accounting model (Germany, Sweden, Belgium, France, Italy, Switzerland and Japan) should be considered.

In Germany the policy of state support for small business is based on the principle of assistance providing, which activates the notion of self-help. Priority is given to the independence of enterprises instead of governmental support, as the state is trying to create equal competitive conditions for both small and large enterprises, though not protecting them from competition. Towards the implementation of this policy special programs facilitating the access of small business to the capital and new technologies have been developed (these are allowances, subsidies and preferential loans which are issued for a term of twenty years at low percentage for the entire crediting period, as well as release of all payments in the first two years and more). Besides, a system of consulting centres, which are funded both by the government and unions of entrepreneurs, has been created. In addition, for the founders of new enterprises in the system of commercial and industrial chambers training workshops are regularly held [2, p. 69].

At the same time, in Germany there are no special benefits or privileges for small business. In fact, the country has a fairly strict tax system with high standards of taxation. In 1990s the government conducted a tax reform, due to which the minimum of taxable income was raised, special standards of depreciation charges were introduced (investments written down over three years according to the depreciation rates of 50% for the first year, 30% for the second year and 20% for the third year), establishment of untaxed income reserves was imposed (20% of the income), the maximum and minimum income tax rates were reduced up to 53% and 19% respectively. Despite all the tax and other benefits, enterprises should pay around 50% of their income, while the nominal value of the same tax deductions is nearly 70% of the income [3, p. 75].

In France for different categories of small business its own support system has been developed. The first category includes ordinary small enterprises, support system for which provides the following tax benefits: newly created small enterprises are exempted from paying local taxes and the stock company tax for two years, the income tax and tax on the invested share of profits are reduced. The second category consists of entrepreneurs who start their business in economically depressed areas. Support system for this category includes discounts and cancellation of payments to social security funds and, in some cases, lifting payments are foreseen as well. The third category involves unemployed citizens who chose to start their own business. Support system for them is implemented through the exemption from taxes for three years and exemption from obligatory social payments for one year, also they are provided with special books of loose checks, which can be used for payments for the consulting and advising on management, law, accounting, etc. In addition, almost all small enterprises of all categories can get soft credits, loans and subsidies. The state creates all necessary conditions for the foundation of new enterprises and applies all possible means to prevent their bankruptcy, including the purchase of enterprises by the National Agency of Enterprise Creation in case of the bankruptcy threat [4].

The main peculiarity of state support for small business in Japan is manifested in the temporary nature of support for certain sectors or fields of activity that are currently of great importance for the development of the country or suffer from unfavourable economic conditions. Due to the support for corresponding fields of activity the state achieves great results, such as rapid economic growth and good balancing of sectoral structure [5, p. 67-72].

In Japan special measures for small business promotion are provided through the implementation of advanced scientific and technological projects, technical and technological re-equipment of small business, training and retraining of work force for small and medium enterprises. Commercial and industrial chambers and councils play an important role in the support for small business by providing assistance on management improvement.

Next, specific features of state regulation and support for small business in the countries using the Anglo-American accounting model (the USA, England, Austria, Canada, the Netherlands) should be considered on the example of the United States.

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The system of small business support in the USA is the most advanced and comprehensive. It is connected with the long-time experience in forming support systems for small business at the state level. A large number of federal programs of support for small business has been working since 1940s. The main directions of this support are:

- 1) access to the capital (low-interest loans for small enterprises at 9% annual, and in times of crisis this rate is reduced up to 4.6%);
- 2) simplified registration procedure (it is possible to register by home address, which is especially common for such business as software development);
- 3) proper education (extensive network of consulting and training centres);
- 4) assistance in obtaining government orders (23-26% of all orders and 20% of defence orders by large enterprises);
- 5) protection in the courts and at the legislation level [6, p. 37].

It should be noted that at this stage of the USA development the main part of state support is presented by financial component.

Apart from the above mentioned methods, the analysis of tax legislation indicates that in many developed countries accelerated depreciation methods are introduced especially for small and medium enterprises.

In the USA, Russia and England an additional enhanced "bonus" depreciation is introduced, ensuring one-time increase of depreciation rate of individual assets.

In Germany additional advantages as for accelerated depreciation on the purchase and production of movable property are introduced for small and medium enterprises.

In Japan the measures of state support include accelerated depreciation of buildings, structures and equipment, together with the possibility of the enterprise foundation without any initial capital (starting with only one yen), a simplified procedure of small business bankruptcy (according to the law adopted in 2000, the enterprise is allowed to apply to the court for protection from lenders even before the liabilities exceed the assets), implementation of the system of unsecured loans and secured credits on a short period, as well as reduction of the tax burden (income tax rate for small business is 28% compared to 37.5% for other companies).

In Canada depreciation rate is 50% on the equipment for production and processing of acquired stuff over the past two years, and expenses on computer equipment can be written down within one year.

In Ireland special allowances to depreciation rates on energy-saving equipment are applied, allowing to write down all expenses in the year of acquisition of such equipment.

In summary, the analysis of tax legislation in different countries has shown that the main tax benefits and privileges for small business, which are used by developed world countries, are related to the profit taxation in the form of application of accelerated depreciation methods, reduction of income tax rates, establishment of additional deductions to lower the taxable base, provision of the tax credit on favourable terms and concessional taxation.

Economic development of each country and its government policy concerning the ways of support and development of economy usually affect the choice of methods of economic stimulation, and during the research the most appropriate and effective directions of tax incentives, which are used in different countries, have been identified and summarized [7]:

- realization of accelerated depreciation programs that contribute to optimize the cash flow of companies due to the accelerated writing down (depreciation) of investments (Australia, France, Ireland, Singapore, Canada, Germany, the Netherlands, the USA, Czech Republic, India, Russia);
- introduction of amendments that help to more effectively take account of net operating losses (NOLs) for tax purposes in both the previous and the following taxation periods (England, the USA, Argentina, Hungary, South Korea, Australia, Japan, Taiwan, France, Singapore);
- reduction of the income tax rate for enterprises and associations in order to optimize the cash flow, stimulate demand and investment attractiveness and help these companies to retain their competitiveness on the international market (Canada, Italy, Russia, Taiwan, Japan, Singapore, Czech Republic, Hungary, Ukraine, the Netherlands, South Korea);

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- increase of tax credit on scientific and research works, thus creating additional stimulus to provide extra funds for the investment development under unstable economic conditions (Australia, France, Russia, Belgium, Ireland, Singapore, Canada, Italy, South Korea);
- introduction of modifications to the indirect taxes in order to support the demand by lowering the cost of goods and services (England, Australia, Canada, France, India, Russia, Belgium, China, Hong Kong, Ireland, Switzerland, Brazil, Czech Republic, Hungary, the Netherlands);
- introduction of changes to the income tax for the purpose of growing demand by increasing real income, especially for taxpayers with low and middle income (England, Argentina, Czech Republic, Russia, Taiwan, Australia, Hungary, South Korea, Brazil, Ireland, Switzerland).

During the following research the causal and effect relationship between the tax system rating in developed countries, as well as the availability of favourable conditions for accounting and reporting and small business development have also been revealed and summarized in the Table 1.

Table 1

Analysis of correlation between the tax system, accounting process and development of small business in advanced world countries *

Country	Rating level in the simplest tax systems (Paying Taxes 2015) [8]	Presence of taxation impact on accounting and reporting system	Benefits in the organization of accounting and financial reporting	Relative share of small business, % / Number of small enterprises
Countries of the Anglo-American accounting model				
USA	47	No impact In the country there are certain established accounting standards and separate regulation of tax collection by the Internal Revenue Service of the state	Significant benefits for small business due to the Law of 2008 (10 steps or principles). Small enterprises should submit only annual tax reports	99,7% / 28 million
England	16	No impact In the country there are certain established standards of accounting and separate regulation of tax collection	Developed standards of financial reporting for small business	76,2% / 2,1 million
Canada	9	No impact	Small enterprises should submit annual tax reports	95,2% / 2,3 million
Countries of the Continental accounting model				
Germany	68	Large impact	Developed standards of accounting for small business	99,3% / 1,66 million
France	95	Large impact	Simplified conditions of taxation, accounting and reporting have been implemented	98,9% / 3,07 million
Sweden	35	Presence of impact	Depending on the selected form of accounting and taxation there are benefits and privileges for taxation of	99,4% / 910 thousand
Japan	122	Presence of impact	No information available	99,7% / 432 million
Ukraine	108	Presence of impact	Simplified conditions of taxation, accounting and reporting have been implemented	93,7% / 2,1 million

* prepared by the authors

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Conclusion. Consequently, countries with Anglo-American accounting model have the best rating of the simplest tax systems, as opposed to the countries with Continental accounting model. Thus, the more consistent and understandable tax system is, the larger number of small enterprises will be functioning, which positively affects economic development in the country. However, regardless of the accounting model used, advanced world countries are applying fiscal stimulus for small business, as well as economic and effective depreciation policy, which create favourable conditions for the renewal of technical base of the enterprise, introduction of the most modern equipment, reinvestment of the enterprise income into its own development and renewal of fixed assets by reducing taxable income through the amount of reinvestment. The loss of tax revenues by reducing the income tax payment is covered at the macro level by social and economic benefits, while stimulating small business and national economy as a whole, through expansion and modernization of production, creation of new work places, new goods and services.

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