

Tax Load and Methods of Its Evaluation and Optimization in Modern Conditions

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Abstract: *In modern conditions, one of the main problems is the need to create a tax system that is adequate to the needs of both taxpayers and the state. Ideally, it, providing the state with financial resources, should not reduce the incentive of the taxpayer to engage in entrepreneurial activity. Moreover, for making tactical and strategic decisions, the theoretical and practical understanding of the category of tax burden is of the greatest importance, since it has a direct impact on the efficiency of the economic activity of the enterprise. The reason for the constant interest in assessing the tax burden lies in the essence of relations between the state and enterprises. So, companies are trying to minimize the tax burden, and therefore, assessing the tax burden becomes an important stage in its activities. At the same time, tax minimization is aimed not only at an absolute reduction in tax payments, but also at targeted transfer of the business to more favorable business conditions, in connection with which various methods of assessment, identification of dynamics, and the impact of the tax burden on the company's final results are used. In this regard, the paper presents an analytical assessment of the system of views on the concept of tax burden; systematization of methods for assessing the level of tax burden is given, depending on the goals and scope of their application; various methodological approaches to assessing the tax burden are characterized; presents the basics of tax optimization as the main way to reduce the tax burden on a business; reflects the relationship between the tax burden of the organization and a generalized indicator of efficiency.*

Keywords: *tax burden, tax policy, tax burden optimization, tax optimization, tax burden reduction methods*

Introduction

Taxes are one of the most important and effective instruments of state regulation of the market economy. Taxes are considered by state structures not only as a source providing formation of financial resources for realization of the basic functions of the state, but also as the tool of managing influence, which allows to organize processes of distribution of the income created by society. Therefore, in the process of market reforms and transformation of the economic management system, priority should be given to tax reform. The need to pay taxes is an integral characteristic of the activities of any state. In the process of economic activity, almost all economic entities seek to reduce their costs as much as possible, thereby increasing revenues. The state solves itself the problem of increasing income, as taxes is their most important source.

The tax, as a form of compulsory withdrawal of a part of the total income of the company to the state budget, reflects all the advantages and disadvantages of a particular economic space and a particular system of state structure and management. In conditions of economic instability, the assessment and planning of tax liabilities of an economic entity, being an item of expenditure, affect the amount of profit extracted. As a result, appears a necessity to maintain a fair level of taxation and prevent the strengthening of the tax pressure on the economy. In the analysis of economic activity of any organization, an important place is given to the assessment of tax liabilities. In order to determine how burden is the existing tax system for an economic entity and which part of resources is diverted by payments to the budget, it is used the term of tax burden. To assess the effectiveness of the tax system and tax policy of the state, a whole set of criteria is required. However, there are practically no direct

indicators that uniquely characterize the effectiveness of the tax system; so, indirect macroeconomic indicators are used in assessing its effectiveness. One of the basic evaluation aspects of the tax policy of the state is the problem of regulating the tax burden and identifying the degree of its impact on the economic efficiency of economic entities. In this regard, the most important financial problem of the state is to determine the boundaries of the optimal size of the tax burden.

The problem of taxpayers about the severity of taxes remains one of the most acute in the economy of the Republic of Moldova. Regardless of their status, they complain about the redundancy of taxes. Many academic analysts and practitioners point about a necessity of diminution of the tax burden in order to create incentives for the recovery of production.

1. Scientific Approaches and Principles of Tax Burden Formation

One of the main directions of fiscal policy of any state is improvement of tax legislation and practice of tax administration. The implementation of the regulatory function of taxes is particularly active in the state impact on the activities of economic entities, but one of the economic indicators characterizing the tax system of the state is the tax burden. It is an important characteristic of the tax system. Its level has a direct impact on the structure of production and social relations. At the same time, each state seeks to optimize the tax burden, which is primarily characterized by a balance of interests of the state, on the one hand, and taxpayers, on the other.

The tax burden, from the economic point of view, is a part of the produced product, performed and rendered works, services, redistributed through the withdrawal of part of the profit of the enterprise in the form of taxes and fees. The importance of the tax burden's assessing is developed on the basis of the tax policy indicator. The indicator is also used to forecast budget revenues and assess the effectiveness of the impact of the tax system on social and economic development. It can also be used as an indicator of economic behavior of economic entities. The tax burden is an important economic category that has evolved with the tax system. The strengthening of the role of taxes, as an instrument of economic regulation, has led to the expansion of the range of their application and the formation of many tax mechanisms and instruments at the disposal of the state.

The problem of determining the optimal level of taxes was raised by economists even in the middle centuries. Scientists have long been concerned about the optimal, scientifically justified size of the tax burden. Even the Pentateuch of Moses contains the phrase "... every tithe on the earth coming from seeds and fruits belongs to the Lord." In the Roman Empire, an average of about 15 sesterces a year was originally taken per person, equivalent to 40 kg of wheat but during the reign of Caesar, the Jew had to give a quarter of the harvest, which was considered excessive. The search for the optimality of taxation has been engaged since ancient times. For example, the philosopher Ibn Khaldun in his work *Muqaddim* in the fourteenth century wrote: "It should be known that at the beginning of the dynasty, taxes bring a large income from small rates. At the end of the dynasty, taxes generate a small income from high rates." Setting limits on fiscal pressure is a problem that has preoccupied specialists since the end of the XVII century, when economists and lawyers said that taxation should be lighter. Due to the diversification of the state's actions and implications in the economic and social life, taxes and social contributions had an upward evolution. At each stage of development, their size was considered to be at the maximum limit which, once exceeded, would jeopardize the good functioning of the economy. In W. Petty's "Treatise about taxes and fees" we can read, that twenty-fifth part of income of the entire land and labor must constitute that part which is necessary to identify and use for covering the public needs. Jean-Baptiste Colbert, Minister of Finance at the court of King Louis XIV, is credited with saying: "Tax collection is the art of plucking a live goose so as to get the most feathers with the least risk." The amount of feathers collected about what Colbert was talking, is the tax burden. Justi believed that a normal budget is that one, which spends 1/6 of the national income.

A. Smith wrote about the danger of the excessive level of the tax burden in the XVIII century, noting that it can "reduce or even destroy the funds that would give people the opportunity to make these payments (taxes) more easily", and the ruin of companies due to excessive taxes leads to an increase in unemployment. This also excludes the possibility to collect tax funds from those who went broke,

while the development of their business in more favorable conditions could bring profit for the country's economy, even like tax fees. He argued: "By reduction the tax burden, the state benefits more than from the imposition of excessive taxes. Additional income can be obtained from the exempted funds, from which the treasury will receive tax. At the same time, taxpayers will easily make these payments, what will release the state from additional costs for collecting taxes, associated with punishments and extortion". After taxes are paid, inequality in the economic situation of taxpayers should be reduced. It was established in principle of equity by A. Smith.

The German economist and mineralogist Johann Heinrich Gottlieb von Justi considered as normal a 1/6 budget spending from the national income. The French economist A. Bifeld wrote: "If anyone asks about general rules for the purpose of this measure of taxes, which a head state can impose on his citizens, then, I think the true politic determines 25% from a personal income. Also, I believe that high demands will exhaust the people and small ones will bring a shortfall for public spending".

On the complexity of determining the threshold value of the tax burden wrote and K. Gok, rightly pointing to the impossibility of calculating a fair amount of the tax burden and its relativity: "England transfers easier 50 shillings of taxes per person than Ostindia 1 shilling, and Scotland with 2 million inhabitants can pay without harm the same amount. He also argued that some of the financial writers like Justi and Bifeld, tried to determine through the complex of calculations the value of the shared free income, which can be turned to meet the needs of the state, without harming the national economy. Some of them raised to 2/3 and others lowered to 1/10 of the national income.

This method of calculation is similar to one of the limits of the atmosphere [10, 29]. This was also pointed out by A. Wagner, E. Kuhn and others, since 1845. Gorlov I. made some calculations of the ratio of the total taxes to total income in different countries [11, 75]. This value was 80% in 1835 in Great Britain and Ireland, 67% in France, 70% in Prussia, 64% in Saxony and 49% in Bavaria. Such a significant amount of the tax burden should be taken into account, adjusted for errors in calculations.

In 1924, E. Seligman made a calculation of the relative tax burden of the war and postwar period (1914-1917) in different countries as a percentage of national income. At the same time, he pointed out that the highest limit in the history of taxation of income tax reached in 1917 was 67%. Before that, it reached the level of 50% only once during the political struggles in medieval Italy, in Florence. The issue of the tax burden has been studied by A. Marshall, based on the theory of the distribution of the national income, the provisions of the directive concerning the percentage of the equity, the profit of the capital, on rent, land ownership, on the question of the relationship between the progress and the quality of life, etc. Many of the questions that were put forward by A. Marshall were further developed in the Keynesian and neo-Keynesian theories about the aspects of tax legislation in the country. British economist John Maynard Keynes (1883-1946), analyzing the system of state economic regulation, has always placed taxes on a central position, named it "Built-in stabilizers". According to contemporary researchers in the field of taxation, J. M. Keynes came with idea that taxes depend on private and public investment and on the population's savings. It was considered that state economy's fiscal regulation has an influence on the aggregate demand and on the contributions of economies and investment's growth, by "handling" the taxes. [14, 232]

In 1947, the English economist A. Pigou stated that "the optimal fiscal pressure is the one that corresponds to the equality between the social utility of marginal public expenditure and the social futility of marginal fiscal levy" [4, 220].

The fiscal pressure depends on the economic, political and social state of a country. Thus, it is difficult to establish a maximum ceiling of it. The raising influence of the state increased the tax burden in the world, but raising taxes can't last forever, because the upper limit thereof, is the main problem of the state. In the opinion of liberal economists, too much fiscal pressure discourages taxpayers from investing, saving, producing and working. So, setting an optimal rate for the tax rate is practically impossible, but the specialists in the economic field settle some assessments on this level.

Many economists were engaged in searching perfect ways for taxation. Among them, there are remarkable works of the American economist, Arthur Laffer. In 1974, he proposed a graph expressing of the dependence of tax revenues on the level of rates. According to his theory, the amount of revenue in the budget increases when tax rates rise and reaches a maximum at some optimal rate. Then it begins to fall and the amount of taxes collected will tend to 0 at a rate of 100%. The disadvantage of this theory lies on the impossibility of accurately determining the value, beyond which the fiscal pressure becomes excessive. This idea is also expressed by its predecessors, namely: too high tax rates destroy the basis on which taxes are laid. The relevance of Laffer's theory is explained by the entertaining conceptual idea: increasing tax revenues by reducing tax rates. [6, 338]

In present, the theory that allows you to accurately calculate the size of the optimal tax rate has not yet been created, but world practice shows that for the effective functioning of the economy, the tax burden should not exceed 30-40% of income. If rates significantly exceed this level, then most economic entities become unprofitable to do business, and they either cease operations or go to the shadow sector of the economy, while economic development slows down, and the volume of tax revenues-is reduced. Consequently, there is a need to reduce the tax burden. In particular, the work of American researchers Rumer S. D. and Rumer D. H. shows that a tax increase of 1% of GDP leads to a reduction in GDP by almost 3%. The optimal tax burden is a level of tax exemptions, which provides a reasonable combination of fiscal and incentive functions of taxes and there a "zone of fiscal contradictions", where are some contradictions between the two functions of taxes: the stimulating one and the fiscal. The necessary objective of determining the optimal total tax burden is caused by the obligation to determine the social and economic component of state policy. It is necessary to explain the reason. The priorities of society and the economy are really different. Society needs some social programs, including increased spending on social security. The state economy, on the contrary, needs support from the state, because the increase of the tax burden over it is fraught with a slowdown in its upturn. After society has become accustomed to social security, it is very difficult to reduce social costs, the final consumption costs, costs for the health and also, costs of the government spending on education, research and development. It is impossible for all countries to determine a single optimal level of tax burden. The reason is: the marginal rate of tax is set empirically for each economy, namely through the following indicators: the volume of gross investments in the economy, the employment level in the economy, tax revenues, level of budget deficit. There are other indicators that determine the optimal level of tax burden in the country, such as: the index of economic freedom, the index of ease of payment of taxes, the global innovation index, the index of easy obtaining the credit, the cost of computer software. For example, in 2017, the minimum values of the total tax burden show the following countries: Luxembourg (64.5%), Australia (63.2%), Malta (62.8%), Solomon Islands (62.8%), Argentina (62.6%), Spain (62.5%), Germany (61.9%), Israel (61%), Slovenia (58.7%), Norway (55.6%), Austria (47.6%), France (47.6%), Sweden (44.4%), Belgium (44.1%), Denmark (37.2%). The average values of the total tax burden show the following countries: Azerbaijan (87.7%), Angola (87.7%), Georgia (87.3%), Sudan (86.5%), Bolivia (86.1%), Egypt (86.1%), Malaysia (85.3%), Sri Lanka (85.3%), Panama (85.2%), Nigeria (85.2%), and Nepal (84.9%). The following countries demonstrate the maximum tax burden: Hong Kong (99.9%), Saudi Arabia (99.7%), Qatar (99.6%), Oman (98.5%), Kuwait (97.7%), Bahamas (97.1%), Turkmenistan (95.3%), Libya (95%), Kazakhstan (93.3%), Hong Kong (93%), and Afghanistan (91.6%). [21]

It should be noted that the tax limit is a historical category. Due to historical peculiarities, it depends on the perception of society, its traditions, consensus of economic and social efficiency, requirements of equality and justice. Tax burden is a concept that has a significant semantic content and is often used in theory and practice. Now, in the scientific literature, there are different definitions of the concept of "tax burden". The existence of differences in definitions, in many cases, leads to confusion in assessing their economic meaning. The concept of tax burden is revealed from different sides, since each author puts his own meaning into it, based on the specifics of the subject and object of research.

The "tax pressure" indicator, traditionally used and defined as "ratio of the sum of all taxes and GDP", allows to estimate the size of the share of the country's GDP, redistributed by means of taxes. However, in the case of methodological problems, which do not allow the proper assessment of the real

tax burden in the country, a number of changes in this indicator appear. A similar situation is observed when determining the fiscal pressure for the economy of sectors, territories and entities. At the same time, the tax pressure is an indicator of the fiscal regulation of reproduction processes and presents an essential value in making important decisions in the field of regulatory economy.

In various English sources, there is a big number of definitions of "tax pressure", including: "the amount of income tax", "property or sales collected from an individual or business" and others. [15]

According to the Cambridge Dictionary, "the tax burden on business / business enterprise / property", is "the total amount of fees paid by a particular group of people, an industry, etc., especially when compared with the payments of other groups, industries etc" [5].

The analysis of the most important scientific contributions in the field of taxation allowed identifying different approaches to the term "tax pressure". Mosteanu T. is firmly convinced that regardless of the terminology employed (the coefficient of the tax or the voltage of tax), the tax burden is the level of extent in which taxpayers, society, economy, bear out the results of their work, duties and taxes as compulsory levies imposed and collected by the coercion of the state. It represents the proportions of income to which, taxpayers-individuals and legal entities, renounce in favor of the state, in the form of taxes, paying them within the chargeability, to the state budget, the state social insurance budget, local budgets, budgets of special funds. Mariana-Cristina Cioponea, in the paper "Public Finance and fiscal theory", defines "fiscal pressure", in a strict sense, as "ratio between the size of taxes collected and gross domestic product" [6, 338]. Romanian economist Gh. D. Bistriceanu considers that the "tax pressure" expresses "the intensity with which the income is collected from individuals and legal entities, or at the level of the whole society through taxation" [2, 89]. The tax burden is "the degree to which the whole of the taxpayers of the country to bear, on account of the results of the work, or their property, the taxes, fees and contributions that the activities of the mandatory, imposed, and collected by legal requirement, by the tax authorities of the state," says Carmen Corduneanu, in her scientific work "The tax System in the science of finance". [7, 662]

Thus, the tax burden on the enterprise can be defined as a measure of assessing the impact of tax exemptions on the economic situation of the taxpayer. From the economic point of view, the tax burden is that part of the produced product, which is redistributed with the help of tax as the only legal means of withdrawing part of the profits of the enterprise, which does not bear the nature of punishment. The tax burden is a measure, degree, level of economic restrictions created by the allocation of funds for the payment of taxes, their diversion from other possible areas of use. Its value depends on the types of taxes and tax rates. Quantitatively, it can be measured by the ratio of the total amount of tax exemptions for a certain period to the amount of income of the tax subject for the same period. The quantitative side is expressed in the amount of funds payable to the budget and extra-budgetary funds for a certain period, and the qualitative side shows the ratio between mandatory payments and the results of financial and economic activities of the organization, as well as its property status. Currently, scientists have different approaches to determine the tax burden. They have divided them into four groups. The first group of scientists-economists considers the tax burden of an economic entity as a share of the income of an individual entity levied to the budget in the form of taxes and fees, or as the total amount of tax payments. At the same time, the quantitative characteristic of the tax burden is reduced to one universal indicator - averaged and insufficiently informative. This point of view was held by N. V. Milyakov. Another group of authors defines the tax burden as a complex characteristic of the impact of taxation on the economic entity. It is proposed to measure the tax burden quantitatively not by one but by several indicators. Thus, E. V. Chipurenko uses the term "tax burden", which means "generalized quantitative and qualitative characteristics of the impact of mandatory payments to the budget system of the Russian Federation on the financial position of enterprises-taxpayers".

Representatives of the third group of scientists consider the tax burden as part of the total financial burden of the enterprise. Thus, A. N. Tsygichko, under the tax burden, sees a "part of the total financial burden that limits the resources of expansion and modernization of enterprises". He believes that the

tax burden should be considered in conjunction with other components of financial pressure-inflation, the rate on loans, fares of natural monopolies, etc. Indeed, in addition to mandatory payments in favor of the state, the company is legally obliged to pay insurance premiums and other mandatory payments in favor of non-governmental organizations. And the last, fourth group includes authors who consider the tax burden as a tool of tax management, analysis or tax planning in the enterprise. Thus, O. S. Salkova speaks about the increasing role of "the tax burden as a tool of control and planning of many parameters of financial and economic activity". Having analyzed the existing approaches to determine the tax burden at the national level, it can be assumed that the tax burden of an economic entity is a value that characterizes the impact of regular mandatory payments of a tax nature levied in favor of the state, on the financial position of the enterprise and determined by individual indicators or their totality. Also, the tax burden is imposed tax of the economic entity, the amount of taxes and contributions that must be paid to the state budget.

A more complete integral definition appeared in the literature, little later where, the tax burden is understood as a generalized quantitative and qualitative characteristic of the impact of mandatory payments on the financial situation of taxpayers. In the Schedule of compliance of the taxpayer, for the 2018-2019 prepared by the State Tax Service of the Republic of Moldova, the term "tax burden" is addressed as, "the degree that the taxpayer can stand, on account of the results of their work, duties, and fees imposed and collected by the state."

In modern economic conditions, when any company tries to minimize its costs, the assessment of the tax burden becomes an important stage in its activities. The issues of assessment of the tax burden in the scientific community were analyzed many times. A big part of the scientific research of recent years has focused on the consideration of the tax burden at the macro level. The tax burden at the macro level is a generalizing indicator characterizing the role of taxes in the life of society. It is defined as the ratio of the total amount of taxes levied to the total national product and shows how much of the produced social product is redistributed as a result of budgetary mechanisms.

M. Kastan and Z. Machova use the tax burden indicator to compare the business climate between the countries that are part of the European Union [16, 263-270], and B. K. Atrostic and J. R. Nunns analyze approaches to assessing the tax burden in retrospect, while, like the authors mentioned earlier, they focus exclusively on industry, regional and country indicators [1, 343-420]. This understanding of the tax burden is due to the clear objectives of the study - to characterize the ongoing activities of the state in the field of tax policy. It is impossible, however, to deny the high analytical value of the tax burden indicator at the intra-firm level, the issues of determining which remain controversial to this day, despite their comprehensive consideration. For example, T. Duan and co-authors, investigating the correlation between the level of publicity of the company's management and the degree of using tax evasion schemes by this company, include the following variables in the model: the ratio of total tax expenses to profit before tax; the ratio of taxes paid to profit before tax [9]. R. McClure and co-authors use a similar formula for calculating the tax burden when testing one of the hypotheses that the company's management is less willing to evade taxes on profits, if there is such a system of calculating taxes on dividends, in which part of the income tax can reduce the tax on dividends paid.

The value of the previously listed and similar studies can be significantly higher when refining the formula for calculating the tax burden indicator, which will make it possible to identify factors that affect the change in the indicator. At the macro level, the most widely used indicator of the tax burden is the ratio of the amount of taxes collected in a country to the value of gross domestic product. Statistics for this indicator are available on Eurostat websites in the collections "Taxation trends in the European Union" [13], and others. At the current stage on estimating the level of tax pressure in Moldova there are different opinions. So, the Ministry of Finance appreciates the level of tax pressure about 30%, when the calculations made within the Center for studying market problems appreciated this level around 40-50%. At the same time, entrepreneurs note that as a result of tax pressure revenues decrease more than half. This divergence to some extent is explained by a currently, no single, methodology for assessing tax pressure. That is, for its assessment, different methods of calculation are used, which are based on a very diverse totality of methodical.

The research carried out within the Center for studying market problems in the Republic of Moldova established that the tax pressure should be assessed based on the reports between the real sector tax receipts against the tax base, i.e. GDP, which is calculated against the same circle of economic agents. For this, the contribution of private households and the shadow economy sector were excluded from the GDP and budget revenues. At the same time, the income tax of individuals was excluded.

2. Methodological Approaches to Assessing the Tax Burden

Today, in the conditions of a dynamically developing market environment and its unpredictability, the issues of calculating the tax burden are becoming the most relevant. Under the assessment of the tax burden should be understood a comparison of the indicators of the tax burden with the given evaluation criteria. The evaluation criteria are the optimal values of the tax burden indicators. The level of fiscal pressure influences the financial situation of each taxpayer. In this respect, this indicator is very important for any company, especially for the elaboration of alternative managerial decisions in the investment projects, the more profitable investment of the means, the efficient location of the production, as well as in the analysis of the results of the activity in the preparation of the business plans on time short and long. In case of changes in the tax legislation, the estimation of this indicator for calculating the possible financial consequences is a decisive one. [18, 129-130]

As an economic category, the tax burden reflects the ratio of the total mass of taxes and fees paid by the enterprise to the fiscal authorities with its performance indicators. In this connection, both general and private indicators of the tax burden are necessary for analysis. For their calculation, it is necessary to correctly determine the tax costs, which represent the total amount of all types of withdrawal of enterprise income to the state treasury. Therefore, they should include not only the amount of taxes and fees directly, but also penalties and penalties that supplement payments to the treasury. At the same time, it is important to separate them and use them in calculating the tax burden in accordance with the objectives and goals of the study. The amount of tax costs that a taxable entity can incur is determined within the international tax system and currently amounts to about 30-40% of the income received. When evaluating the available methods for determining the amount of tax payments, it is necessary to use an indicator that would allow us to compare the level of taxation of enterprises operating in various areas of the economy. It is also necessary to identify the situation in which there is a relationship between the total number of taxes, their rates and tax benefits and the possible results of economic activity of enterprises. Only then tax costs give a real idea.

Currently, there are many different theoretical approaches and practical suggestions on the methodology for determining the tax burden. However, there is no single scientific approach regarding the calculation order of this indicator. In this regard, for the greatest accuracy of calculations when carrying out measures to optimize taxation at a particular enterprise, specialists should not be limited to one technique. It is advisable to use 2-3 methods, so that the results obtained with their help most fully describe the tax situation at the enterprise. The difference in the methods is manifested in the interpretation of such elements as the composition of taxes included in the calculation of the tax burden, and the general indicator with which the amount of taxes relates, moreover, when using any of the methods, the question arises of what should be included in the amount of taxes paid by an economic entity. Some authors propose calculating the absolute and relative tax burden. Thus, the absolute tax burden is a monetary estimate of all tax and insurance contributions levied to be transferred to the budget, i.e. the absolute value of tax liabilities of business entities. This indicator includes tax payments actually paid into the budget and mandatory contributions paid to extra-budgetary funds, as well as arrears on these payments.

The absolute tax burden is calculated by the formula:

$$ATB = TP + EP + TA,$$

Where ATB – the absolute tax burden; TP – tax payments paid by the organization; EP – tax payments made to extra-budgetary funds; TA - tax arrears.

Moreover, the calculation of the absolute tax burden does not include the tax on personal income, since the payers of this tax are physical persons, and enterprises only transfer these payments to the budget, fulfilling the duties of a tax agent. At the same time, the practical use of the absolute tax burden is limited due to the lack of analytical capabilities for comparing and comparing its value with other entities and states, and it does not reflect the intensity of tax obligations. Therefore, it is necessary to use the relative tax burden - the ratio of the absolute tax burden to the newly created value, that is, the share of taxes and insurance premiums, including arrears, in the newly created value.

Therefore, the relative tax burden, which is defined in the most general form by the ratio of the amount of taxes to the value of total income, has become most widespread. It represents both a quantitative and qualitative characteristic of the impact of the tax system on an economic entity. The various methods currently used to determine the relative tax burden differ mainly in the composition of taxes and tax payments included in the calculation, or in the type of source of payment, which, taking into account goals and the economic level, can be: revenue (with or without VAT); source of tax (income, profit or expense, property); newly created value; estimated income or planned profit.

It is worth noting that both groups of indicators have their own analytical purpose. Absolute indicators are used in the organization's tax planning process in the short term. However, their parameters do not give a complete picture of the degree of influence of taxes on the organization's performance, since taxes and fees differ in terms of sources of payment and other features. This difference takes into account the relative indicators of the tax burden. Such indicators reflect the level of taxes and fees of all kinds, regardless of the structure of the tax system, the nature and content of the taxes themselves, the financial resources used, the degree of pressure of the tax press on the main financial and economic indicators of the business entity: revenue from sales of products, goods, works and services; balance sheet and net profit of the organization; production costs and circulation. Thus, the tax burden on a particular business entity is a relative indicator, reflecting the ratio of the total mass of accrued taxes and fees of the enterprise with indicators of its activity.

It is important to note that since the absolute tax burden, according to the formula for calculating it, reflects only the amount of the tax obligations of the enterprise, but does not take into account the severity of the tax burden, additional calculations of the relative tax burden, which is determined by the ratio of the absolute tax burden (ATB) to the newly created value (NCV) according to the formula:

$$RTB = (ATB / NCV) \times 100\%$$

Thus, when using this technique, the value of the newly created value is not affected by the taxes paid; Absolutely all taxes and fees paid by the company may be included in the calculation; does not affect the objectivity of the calculation; the amount of tax burden and level of profitability, as well as industry affiliation and scale of the enterprise. At the same time, this technique does not allow planning and forecasting changes in the considered indicators, depending on changes in the mandatory elements of taxes and fees.

Approaches to calculating the tax burden are different for economic levels. As a rule, the size of the tax burden varies: for the state as a whole or for individual subjects of taxation. At the macro level, the tax burden is an aggregate indicator that characterizes the role of taxes in the life of a country's population and is defined as the ratio of the total amount of taxes levied to the value of the total national product. Currently, many countries, including the Republic of Moldova, use the method of calculating the net fiscal pressure in calculating the fiscal pressure at the macroeconomic level, which allows providing the fiscal image from the accounting point of view [19, 293-296].

In fiscal practice, different ways of calculating fiscal pressure are used, among which:

$$FP = \frac{\sum_{j=1}^n T_j (SF)}{GDP} \times 100\%$$

General fiscal pressure:

Where: FP - fiscal pressure; $\sum_{j=1}^n T_j (SF)$ - the total amount of taxes and fees (including the breakdowns in the Social Fund); GDP - gross domestic product.

This indicator reflects the ratio of public revenues obtained by fiscal means and the social contributions in the gross domestic product.

$$FP = \frac{\sum_{j=1}^n T_j}{GDP} \times 100\%$$

Absolute fiscal pressure:

Where: FP - fiscal pressure; $\sum_{j=1}^n T_j$ - the total amount of taxes and fees (without the breakdowns in the Social Fund); GDP - gross domestic product.

The formula shows the ratio of taxes and taxes, without taking into account the social contributions in the gross domestic product. This indicator allows special international comparisons regarding taxation and fiscal effort, within the limits of using the relative figures.

The fiscal pressure of a tax or tax:

$$FP_j = \frac{T_j}{GDP} \times 100\%$$

$$FP_j = \frac{T_j}{\sum_{j=1}^n T_j} \times 100\%$$

$$FP_j = \frac{T_j}{TB} \times 100\%$$

Where, FP_j is the fiscal pressure of a tax or tax j considered; T_j - the tax or tax considered; TB - the taxable basis considered.

Other indicators of fiscal pressure can be exemplified, among which:

- the consolidated fiscal pressure, which is obtained by eliminating certain compulsory withdrawals of a resonant nature, in order to better express the part of revenues destined to finance the activity of public administration bodies. The first level of consolidation consists in eliminating the breakdowns from the Social Fund of taxes and fees paid by public administration bodies. The second level of consolidation is obtained by eliminating all compulsory self-financed levies;
- the net fiscal pressure, which is obtained by eliminating from the compulsory levies the part redistributed directly to the economic agents, especially in the form of social benefits for the population and subsidies for enterprises. The sum of the compulsory levies necessary for the proper functioning of the public administration is thus obtained;
- the increased fiscal pressure, which results from taking into account certain sources of financing of public expenses, other than mandatory levies in the form of taxes and duties.

These ways of calculating the fiscal pressure do not allow the comparison of the results obtained by the economic agents from different branches of the national economy. Instead, their application favors the analysis of the evolution of the level of fiscal pressure from a macroeconomic point of view.

In assessing the tax burden of an enterprise, four approaches are distinguished:

1. A comparison of two indicators of the tax burden of the enterprise, calculated on the basis of various basic indicators. Representatives of this approach propose to calculate the tax burden as a complex integral indicator that takes into account the complexity, material intensity and capital intensity of the enterprise. The tax burden ratio is calculated on the basis of value added and sales revenue. Assessment of the tax burden consists in comparing these two indicators calculated for the analyzed period. The fundamental difference between the methods proposed by the authors is the number of taxes included in the calculation (VAT, personal income tax, single social tax, income tax). The disadvantages of this

approach include: accounting for only four taxes, while most organizations pay transport tax, land and others; the calculation of personal income tax, the payer of which is an individual, not a legal entity, significantly overestimates the tax burden of the enterprise; for manufacturing enterprises it is not enough to take into account only the complexity and capital intensity, it is necessary to take into account the consumption of materials;

2. The definition of acceptable boundaries for the indicator of the tax burden of an enterprise provides for assessing the tax burden of an enterprise using the so-called "Tax corridor", the boundaries of which determine the permissible values of the tax burden of the enterprise. At the same time, the lower boundary of the tax corridor is the minimum allowable value of the tax burden indicator, in which the company does not fall into the group of enterprises with the highest tax risks and the company remains economically profitable, and the upper one is the value at which the profitability of the company is comparable to the increase in tax load (the company maintains a stable financial position and has sufficient resources for further development). The disadvantages of this approach: it is extremely difficult to get a reliable estimate based on one indicator of the tax burden; for certain categories of enterprises in one industry, the application of this technique is significantly limited, this is due to the fact that the lower border of the tax corridor; is the industry average value of the tax burden; the methodology does not take into account transport, land and other taxes, according to which the company may be a taxpayer;

3. Comparison of indicators of the tax burden and the tax potential of the enterprise, which is defined as the possibility of taxes, using taxable resources, to bring revenues to the budget. If the value of the tax potential is greater than or equal to the value of the tax burden of the enterprise, there is an increase in the economic potential of the organization and, as a result, an increase in budget revenues. If the value of the tax burden exceeds the value of the tax potential of the enterprise, tax obligations are fulfilled with difficulty or not in full, limit its solvency. The disadvantage of the method is the procedure for determining the tax potential, in addition, the method does not take into accounts either industry affiliation or the characteristics of the manufacturing enterprise;

4. The empirical approach to assessing the tax burden of an enterprise implies the ratio of the actually obtained indicator of the tax burden with the criterion determined by the author provides information on the level of tax planning at the enterprise. Conducting an assessment of the tax burden based on empirical methods makes it possible to generalize the information base and determine the optimal average indicators with which the calculated indicators would be compared. However, the use of such techniques is advisable in the case of an initial study of the taxation of an enterprise, since they do not provide detailed information about the tax burden of the enterprise. The disadvantages of empirical methods include the difficulty of collecting and summarizing information about the tax burden.

At present, the world practice has developed a series of methods that allow to assess the level of fiscal pressure at the enterprise level.

Thus, the fiscal pressure indicator can be calculated as a ratio between the amounts paid to the state, diminished by the subsidies received and with consumption taxes transferred on to consumers, compared to gross income or value added. For this indicator of fiscal pressure, under conditions of inflation, to be representative one can calculate the ratio between the amounts paid by way of taxes and taxes and the flows of cash inflows. The main way by which the fiscal pressure manifests itself at the level of the entity is represented profit tax, because profit remains the main element of self-financing. The higher the profit tax rate, the lower the self-financing capacity. [12, 102-122]

But for the time being there is not a single opinion among the scientists, regarding the list of tax payments that should be included in the calculation when determining the fiscal burden indicator. The subject of the contradictions consists in the possibility of including in the calculation of the income tax to individuals. The first group of economists considers that all taxes and levies including the income tax of natural persons should be taken into account when calculating the fiscal burden. Its priority is argued by the fact that at present the entrepreneurship structures when calculating the remuneration of

work tend to provide the worker with a net competitive income, which remains after taxation. Besides, as an alternative estimate of the volume of work, the income from the sphere of the dark economy appears. The second group of scientists is in opposite positions, considering that the tax on the income of individuals cannot be included in the calculation of the fiscal burden related to the entrepreneurial activity. This position is argued as follows: this tax constitutes the component part of the fiscal burden of each worker, and its size does not influence the increase of prices, so it does not diminish the demand for consumption, more even when collecting the tax no financial sources are withdrawn from the circuit of the economic agents. The third group of scientists considers it appropriate to exclude indirect taxes from the calculation of the fiscal burden, arguing that they are included in the price of the goods and are paid by the final consumer.

One of the main methods, which is often described in specialized literature and has become widespread in practice, is the definition of a number of absolute and relative indicators of the tax burden. Thus, the absolute tax burden on accrual represents the amount of tax payments accrued and payable to the budget; the absolute tax burden on payment is the sum of tax payments actually paid for the period; coefficient of relative tax burden on accrual - the share of accrued taxes in the company's turnover; coefficient of relative tax burden on payment - the share of actually paid taxes in the company's turnover; the share of actually paid taxes in the cash flow of the company. The calculated ratios must be compared with the values obtained in previous periods, or with other values of interest to us. Similar comparisons can be made in the context of activities, territorial divisions, and subsidiaries. This approach allows you to identify areas that are overly burdened by taxes, and concentrate on tax optimization methods. However, a serious drawback in this case will be the need for the enterprise to meet certain parameters, such as the ability to clearly structure and isolate its divisions and activities, as well as the low quality of information.

The absolute fiscal burden does not reflect the strain of fiscal obligations. The index in question does not compare the size of the tax payments with the source of their payment. In this respect, it is necessary to use the term "relative fiscal pressure". This means the ratio of its absolute size to the newly created value, to the share of taxes and insurance contributions, including the arrears according to the newly created value. In the process of comparing the relative tax burden for different entities, it is proposed to use the newly created value and not the added value, the exclusion from the object of the economic analysis of depreciation as a component part of the gross domestic product. The advantages of the method reside in the fact that it allows to establish the relative tax burden at the macro- and microeconomic level, since the tax payments correlate only with the newly created value, and the tax burden is determined according to the source of payment of taxes. At the same time, the formation of the size of the newly created value does not influence the taxes paid. The fiscal burden is not made up of factors, such as: the consumption of materials of the entity, the number of employees, the amount of taxes in the price of production, when calculating the fiscal burden, the taxes paid directly by the entity are taken into account; the respective method is sufficiently convenient and simple, allowing the calculation of the fiscal pressure on certain entities. Moreover, it is not difficult to establish, in an analogous way, the fiscal pressure on individual entrepreneurs.

The advantage of this method is that it allows comparing the fiscal pressure on certain entities, as well as on individual entrepreneurs, regardless of the ownership of their subsidiary. The positive aspects of the method highlight the following moments: the fiscal payments are correlated with the newly created value, and the fiscal pressure is evaluated with reference to the source of payment of the taxes; on the formation of the size of the newly created value does not influence the taxes paid. Negative aspects of the method: it analyzes the depreciation costs as an element of formation of the cost of production of the goods and not as a source of payment of taxes, which does not allow to examine the pressures of the branches of the enterprises; it is not possible to forecast the change of the economic activity of the entity according to the change in the number of taxes, rates and facilities; it does not take into account the influence of the income tax of natural persons. In this case, the influence of some indices, such as: capital, profitability, business rate of current assets is not taken into account, which does not allow the forecasting of changes in the economic activity of the entity according to a change in the number of taxes, tax rates and facilities.

Another method is to determine the fiscal pressure based on the ratio between the taxes paid by the company and its total value [17, 33-40]. This method of analysis is significant and most often used by the entities of the Republic of Moldova, as it reflects the tax pressure felt by the taxpayers who are active in different areas. This indicator is also one of the most important for the economy, because the economic agents are the ones that make up the gross domestic product. In general, the taxpayer considers fiscal pressure to be up to 30% fair. It is difficult to perceive the fiscal pressure of 40% and does not accept it when it exceeds 50%. The fiscal pressure of the entity depends on the weight of each type of levy in the total levy, in the value added and the size of the rate of each type of tax levy. [12, 102-122]

The individual fiscal pressure should not only be analyzed in a mathematically rigid way, as a ratio between the income collected from the taxpayers and the primary income obtained by them, but also as an individual fiscal pressure in close connection with the purchasing power of the net monetary income (left after taxation), that is, the degree to which the individual income after taxation satisfies the needs of subsistence, of leisure management and of saving or investment. [8, 326-341]

As for the private indices, they are calculated according to the sources of reimbursement: the cost of production, the income from the realization, the net income, the financial results. The fiscal pressure is established as the ratio of the tax deductions to the respective source of coverage. As a result of those reported by Filiga Michael Sawadogo and Salifou Dembele, in the work "Précis de droit fiscal burkinabé", in which the authors analyze the fiscal pressure of a group, we can say that the latter has the same characteristics as the individual fiscal pressure, only that from the perspective of this theory we can observe the manifestations of fiscal pressure at the level of a smaller group (at family level) or wider (at the level of a social class). [20]

As for the composition of taxes included in the calculation of the indicator of the tax burden of an enterprise, some authors, for example, M. N. Kreinin, ignore indirect taxes, indicating that their final payers are consumers of products. According to the author, VAT does not participate in the calculation as a tax that does not affect the amount of profit of the enterprise. However, an objective assessment of the tax burden needs to take into account all taxes paid directly by the company. It should also be noted that the tax on personal income should not be included in tax payments, since organizations, when calculating, withholding and transferring taxes, perform the functions of a tax agent.

The methodology for determining the tax burden, developed by M.N.Kreinina, consists in comparing the tax and the source of its payment, and each group of taxes, depending on the source from which they are paid, has its own criteria for assessing the severity of the tax burden. The specificity of this approach lies in the fact that indirect taxes are not taken into account and are not examined as taxes that influence the profit of the economic agent. The method in question represents an efficient means of analyzing the influence of direct taxes on the financial situation of the economic subject. At the same time, it underestimates the level of influence of indirect taxes on the financial situation, although, undoubtedly, even to a lesser extent, these taxes influence the size of the entity's profit, demand, and thus maintaining the price level and reducing the profit. [3, 13-14]

An analysis of the presented methods shows that all approaches to the calculation and analysis of the tax burden, along with certain general characteristics and a set of indicators, have obvious differences. In all methods, the size of tax liabilities of economic entities is taken as the basis, while the same data taken from the same documents can lead to different results when applying different methods. Each of the above methodological approaches to assessing the tax burden of business entities is applicable in its own way, however, before proceeding with the selection of a methodology, one needs to really imagine what kind of indicator requires a full analysis that would link the amount of tax burden of enterprises with the possibilities of its optimization.

Conclusions

Thus, the development of the tax system of the country causes constant contradictions between business and the state in matters of taxation. It is difficult to find solutions that satisfy both sides. The centuries-old practice of building tax systems in countries with a civilized market economy indicates that the taxpayer withdrawing up to 30% of income is the point behind which effective entrepreneurial activity is impossible, resulting in a reduction in savings and investment in the economy. In other words, the state should not withdraw from the taxpayer more than its income. At the same time, the maximum permissible tax burden indicators at both the micro and macro levels depend primarily on the level of obligations that the state assumes with respect to a particular resident of the country and the economy as a whole. In other words, the level of the tax burden depends on the state's participation in the population's spending on educational, utilities, as well as research, investment, social and other programs.

In this regard, it is necessary to introduce a tax system that, on the one hand, will meet the state's needs for its expenses, and on the other, increase incentives for taxpayers, encouraging them to actively engage in entrepreneurial activity and constantly search for ways to increase the efficiency of their financial and economic activities. Therefore, the indicator of the tax burden on the taxpayer can be considered, *inter alia*, as an indicator of the quality of tax administration. Thus, the formation and assessment of the tax burden at the present stage is one of the main elements in the analysis of the financial and economic activities of any organization, which involves the use of various methods for its calculation, but which often do not fully reflect all the features that affect it.

Since none of the methods used for assessing the tax burden used at this stage allows us to fully accurately assess it both at the macro and micro levels, it is necessary to approve a unified methodology for assessing the tax burden in the Russian economy, with the help of which it would be possible to formulate formulas for calculation of the tax burden applied at different levels of management. This information should be given taking into account the types of economic activity, take into account the ratio of direct and indirect taxes, especially when it comes to large companies, should reflect the size of insurance premiums to extra-budgetary funds, since they account for the bulk of the tax burden of the employer. When assessing the tax burden in commercial organizations, the tax on personal income should be excluded from the calculation because this tax is levied exclusively on the income of individuals, without affecting the financial results of the organization. To calculate the fiscal burden by type of economic activity, the volume of taxes and other payments is desirable to correlate with the volume of gross value added.

However, summarizing the methods of calculating and analyzing the tax burden presented in the scientific literature, it should be noted that for all their diversity, imperfection and the opposite of approaches, modern economists have managed to develop and prove several very important points. Firstly, most researchers have recognized that indirect taxes (VAT, excise taxes) and / or taxes for which an entity acts as a tax agent (PIT) also affect its tax burden, although there are alternative points of view. The question of including personal income tax in the calculation of the tax burden is traditionally debatable. In general, the methods for determining the tax burden of the taxpayer differ in the list of taxes and contributions included in the calculation. An important role is also played by the indicator with which the total amount of taxes for the billing period is compared. This indicator may be the balance sheet currency, net profit or profit before tax. Each technique has both positive aspects and disadvantages and can be challenged for the validity of its application in practice. For example, disputes often arise regarding whether it is worthwhile to take into account indirect taxes paid by customers or personal income tax when calculating the load, in relation to which the organization acts as a tax agent and not a tax payer. Thus, when choosing the most optimal tax regime, an entrepreneur or organization needs to calculate the tax burden for various tax regimes, taking into account various factors and development prospects of their activities.

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