
Tax policy as a toolkit on ensuring the conditions for the formation of a favourable business environment in a post-crisis economy

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Abstract: The post-crisis development of the domestic economy brings into focus the need to find new sources of economic growth. One of the directions is the development of an effective tax policy. Exhausted potential of the economic growth model based on domestic and foreign demand is already evident. As a minimum, an immediate modification of the entire infrastructure of the financial and credit market is required. In these conditions, urgent proactive changes are needed; it is necessary to ensure transparency, provide effective tax incentives, increase the availability of credit and financial resources, etc. The group of key macroeconomic factors that negatively affect economic dynamics can be corrected by creating a set of priority tax policy instruments, which will neutralize the negative effect of dysfunctions of the financial system and ensure the business level and growth of investment activity in the national economy. The next global financial crisis aggravated by economic sanctions increased the impact of supranational institutions and increased the role and importance of state regulation in the Russian economy, and, first of all, in the field of tax institution activities. The importance of such coordination was shown as a result of the global economic crisis, the main reasons for which were systemic deficiencies in the implementation of regulatory macroeconomic policies; arbitrary use of innovative financial instruments; the chaotic development of aggressive lending technologies by commercial banks; improper use of methods for assessing investment risks, etc. The need for a theoretical and methodological study of modern tax policy structure in order to ensure a favourable business environment in the post-crisis economy prompted us to tackle this research topic.

Keywords: globalization, world economic crisis, economic sanctions, post-crisis economy, tax policy, business environment, entrepreneurial activity, economic growth.

INTRODUCTION

The analysis of special literature with recommendations on the multifaceted problem under consideration made it possible for us to identify and study the features of neutralizing negative factors characteristic of the post-crisis stages of development of the national economy in the context of financial and economy globalization through the use of a set of tax policy instruments.

The modern tax policy should become one of the key components of the state financial policy with its characteristic tools, mechanisms, technologies, etc., allowing actively to determine the activity of business structures.

In the course of working on this issue, we studied the works of such foreign researchers, as A. Laffer, J. Mill, A. Pigou, D. Ricardo, M. Friedman and others, dedicated to the problems of tax regulation as a determinant for the production level of a social product.

We also constructively studied the works of Russian scientists in the development of the theory and methodology of tax policy, including such prominent researchers as A. Bryzgalin, A. Vostroknutova, A. Dadashev, V. Krasnitsky, M. Romanovsky, D. Chernik, T. Yutkina and others.

While giving credit to the above researchers, it must be admitted that many aspects require immediate further study. Among them there are the problems of developing and using a system of priority tax policy instruments, building up discretionary elements in the tax system by enhancing the efficiency of using the main tax instruments for successfully solving the problems of ensuring economic growth, more active attraction of foreign investors in order to overcome the destructions in the post-crisis stage of economic development of the national economy.

All of the above prompted us to tackle this research topic and determined the purpose and objectives of the research.

RESEARCH METHODOLOGY

The theoretical and methodological basis of the study is presented in the form of works of foreign and Russian researchers being the authors of the fundamental concepts in neoclassical theories of post-industrial economy, financial and economic globalization, etc., together covering a wide range of interconnected macro-problems in the field of improving tax policy and tax regulation methods.

During the research, general scientific and special methods of scientific knowledge were used: system-functional approach; comparative, situational, structural and dynamic analysis; economic analysis and diagnostics; monitoring and controlling, fuzzy logic method; comparisons, groupings, elimination, and generalization.

Also, the Civil Code of the Russian Federation, the Tax Code of the Russian Federation, orders and instructions issued by the Ministry of Finance of the Russian Federation and other official structures, as well as materials from Internet resources were used in the course of this work.

RESULTS OF THE STUDY

A feature of the current stage of the economy development in the Russian Federation is a change in the development vector of the state regulation system, and, first of all, tax policy.

The post-crisis economy of the national economy is developing under the direct influence of extremely destabilizing globalization trends caused by a significant outflow of capital, excessive accumulation of all kinds of risks, the formation of inherent restrictions, etc. burdened by growing economic uncertainty.

It should be noted right away that, although the globalizing economic crisis hit all countries, many of them managed to significantly reduce the risk consequences of the next world crisis by quickly developing a set of effective measures and take measures to stimulate economic growth. The USA, Great Britain, Germany and Japan should be singled out among these countries.

In these countries, a set of regulatory measures was adopted, which allowed to reduce interest rates, to increase the volume of monetary funds in the domestic market, to increase government spending on goods and services, to increase the level of portfolio investments, to change fiscal policy, etc., which ultimately helped to revive their economies. As can be seen from the listed sanative measures, the adopted and implemented regulatory system is purposefully focused on the growth of aggregate demand and recovery from the economic crisis through the formation of a favourable business environment.

The formation of a high level of the business environment development in these economically developed countries also made it possible to intensify the construction of information and communication technologies, to simplify the processing of the business reporting system and mechanisms for submitting it in electronic form to tax, statistical and other authorities.

All this was also accompanied by a significant elimination of administrative obstacles.

Here it is appropriate to refer to the monograph by R. Branson, in which he directly pointed out that "it is necessary to make that the advantages of capitalism were aimed at the development of institutions of trust and state support". [4]

According to the cited author, the set vector of building the economy is to develop a new model of economic relations based on the identification and use of the competitive advantages of capitalism and focused on the formation of a competitive business environment.

Undoubtedly, the post-crisis model of economic growth in the Russian Federation is a mirror image of the impact of the global economic crisis. The structural nature of the Russian crisis requires the development of modern regulatory anti-crisis instruments, the formation of qualitatively new institutions and the prompt

implementation of structural reforms in the national economy, taking into account the trends of transformation cycles. [1, 12]

It seems that this approach will contribute, particularly, to development of a favourable business environment, which plays a key role in building a modern efficient structure of the economy. Of course, the business environment allows us to create new enterprises, develop entrepreneurship and create new jobs, etc.

A supportive business environment is essential for sustainable development and ensuring economic growth.

Difficulties of methodological nature regarding the study of the institutional mechanism for the formation of a favourable business environment can be explained by the difficulties of analytical support, because the problems of building a business environment for the development of business structures have a complex of resource, institutional and organizational constraints. Experts identify typical methodological reflections on the creation of business organizational and economic conditions and institutions for the development of the business environment, primarily tax and financial institutions, which must be aimed at enhancing the development of business structures in order to successfully overcome the economic consequences of the systemic risks of financial and economic globalization. [2, 8, 13]

At the same time, we do not share the fetishization of the creation of institutional conditions (for all their importance), because they allow only to slightly reduce the effect caused by unresolved problems of organizing and doing business.

Modern tax policy needs to be modernized taking into account the possible impact of external and internal factors. But, in our opinion, this is hindered by the lack of effective incentives to ensure the real development of entrepreneurial activity. This situation is explained by the fact that in the post-crisis economy the number of problems regarding the development of business structures is much greater than the possibilities of resource support in the institutional mechanism for their resolution. At the same time, the limitedness of the used tools of economic policy prevents the formation of an effective response of regulators to the emerging problems in the field of institutional design of investment activity.

Modern tax policy is a set of measures and tools that allow us to consolidate resources to implement budgetary policy by the government. At the same time, a stimulating model of tax policy should ensure economic growth, use a significant number of targeted tax incentives that activate the growth of economic activity of the national economy agents, improve the model of financial and economic policy of the state focused on the sustainable development of institutional conditions for ensuring a favourable business environment. [3, 7, 11]

One can note the following priority tasks and principles of tax policy in the post-crisis model of domestic economy development:

- Transfer to an effective system of tax regulation aimed at reducing the fiscal burden on the economy and ensuring real growth in business profitability;
- The growing importance of tax support instruments for innovation-oriented industrial enterprises producing high-tech products;
- Accumulation of financial resources sufficient to activate innovation by the enterprises of the industrial complex;
- A qualitative expansion of incentive tax measures and instruments in order to ensure the growth of industrial production and increase the efficiency of industrial enterprises;
- Accelerated formation of a favourable business environment and creation of investment attractiveness;
- Increasing the role and significance of tax instruments in the processes of reducing the outflow of financial capital, enhancing the attraction of investors, solving a complex of problems related to deoffshorization of the economy.

Tax policy must become consistent, predictable, and must have continuity. The implementation of an effective tax policy requires the use of a wide range of differentiated instruments that have a stimulating nature in the course of implementation of financial and economic policy. This is, first of all, the institute of tax incentives. These are, in particular, investment benefits.

Another, but no less significant instrument of tax policy can be tax sanctions, which also contribute to the construction of a favourable business environment by orienting economic entities towards strict observance of tax legislation.

The immediate task of tax policy is, in our opinion, to ensure the entering of the national economy and national economic agents to a level of sustainable development model. We are convinced of this by the experience of economically developed countries that successfully emerged from the post-crisis state: they were able to implement a set of institutional measures in a short time, which allowed them to create a business environment favourable for business development. To do this, they had to build a qualitatively new stimulating tax and credit policy, offer a set of financial, credit and tax instruments.

It is clear that the effectiveness of the Russian economy institutions will depend on the level and severity of the competition between them, as well as the speed of institutional transformations associated with the mechanisms for introducing progressive institutions. In today's realities, it is necessary to build a new form of institutional

interaction between financial institutions and their counterparties directly affecting the performance of functioning institutions and, in general, determining the position of economic agents.

The globalization of the economy contributes to the unification and standardization of the market space and the formation of new market effects that have a direct impact on the nature of the development of financial institutions, the choice of instruments that ensure their efficiency. Among the priority tasks for the development and implementation of an effective tax policy is the need for sustainable provision of the state with financial resources sufficient to activate the institutional mechanism of budgetary policy, create conditions for the advanced development of the national economy and the proper solution of socio-ecological and economic problems through the rational motivation of cash flows and the implementation of strategic management systems for financial flows. [5, 10, 14]

The solution of the above tasks on the basis of modern tax policy tools is focused on enhancing the functioning of the tax mechanism, which is a complex of organizational, economic and legal forms and methods of tax management. It should be noted that it is the modern instruments of tax and credit policy that have allowed the economically developed countries to implement a set of institutional measures and create a business environment favourable for the development of business structures. In the Russian Federation, it is also necessary to immediately use stimulating credit and tax policies, market financial and credit instruments, etc., which ensure the sustainability of the national economy development.

Indeed, the post-crisis model of market economy growth has to be formed under the pressure of many risk factors that act as challenges to the globalizing financial economy. In addition, it should be more precisely noted that the existing financial institutions carry many unresolved painful problems caused by the dysfunction of the implemented tax and economic policies. All this negatively affects the quality of the institutional system, changes the behaviour model of economic agents, etc. All this supports the need to create a new form of institutional interaction between financial institutions and their counterparties.

Of course, it is extremely difficult to observe the institutional rules of interaction, since the globalization of financial policy forces the rules to be frequently changed, which happens regardless of the will of their participants. Moreover, everything is changing: both the financial and credit mechanism, and the principles of tax regulation, and the development model itself, which, of course, creates restrictions that cause a slowdown in economic growth, reduces the investment and lending activity of agents, worsens the quality of the business environment, accelerates inflation and provides a number of other negative impacts on the development of financial institutions.

Another feature of the post-crisis economy of the Russian Federation is the drop in investment flows. This immediately reduced business activity, limited the mechanism for building key competencies necessary for launching the new industrialization program, reinforces negative expectations regarding long-term plans, and minimizes the possible potential organic growth of the national economy.

The practices of post-crisis development of the domestic economy allow us to assert that the degree of socio-economic development of a particular region in many cases may not correspond to the level of trust between counterparties and favourable conditions for doing business. Experts associate this situation with the effectiveness of credit and tax policies implemented in a particular region and the level of development of the institutional conditions for doing business. An example is the labour-surplus depressive republics of the North Caucasus, where land reforms are still incomplete; there are delays in connecting gas, water, electricity and sewerage; and also there are artificial difficulties for participation in priority investment projects; all this creates distrust of the authorities and, ultimately, contributes to the formation of a downward cycle of regression. To be fair, we must say that the accession of the Russian Federation to the WTO has limited the level of state support, and also reduced direct subsidies for agricultural enterprises.

It is unambiguous that the problems of forming a competitive business environment must be solved not only with money, knowledge and competencies, but also with an established system of interaction between agents of the financial and credit market, who can position themselves as recipients or investors. The point is that for the evolution of the Russian post-crisis economy into a sustainable development economy, it is necessary to develop a fundamentally new model of tax and credit policy aimed at expanding the infrastructure of financial and economic relations, first of all, at their modernization, at finding available financial resources, so that every financial institution and business structure has become most interested in investing in their development, increasing capitalization and market share.

We are convinced that investments in the development of companies' lending activities should be viewed as investments in the development of a favourable business environment, in the formation of an innovative business, in the creation of new jobs.

It seems to us that the development of an effective credit policy in the depressed republics of the North Caucasus would make it possible in a short time to create appropriate conditions for the development of the corporate sector, first of all, small-format business structures in the region and thereby provide small business with credit, tax and information support for sustainable development.

The new model for the development of the Russian economy should assume that the introduced tax manoeuvring tools should intensify the stimulation of the national economy diversification processes and ensure a sufficient inflow of investments, primarily in the environment of high-tech manufacturing business. In fact, today tax manoeuvring is still used only to neutralize various fiscal imbalances in industries that hinder the diversification of the domestic economy.

It is proposed to use the "15-15-15" concept to optimize the distribution of the tax burden on business, especially in the production centres. Its authors propose to reduce VAT, income tax and insurance premiums to 15%, compensating such a reduction at the expense of other taxes on consumption and natural resource rent. [5]

The problem of deoffshorization of the Russian economy is especially acute. This problem has clearly shown that the effectiveness of financial institutions is highly dependent on the level of competition between them and the efficiency of institutional transformations associated with the mechanisms of engaging modern institutions. A scientifically based tax policy can effectively position itself as a systemic adaptive mechanism in the context of the accelerated development of financial globalization processes and the intensification of international economic integration, which open up the national economy space of the Russian Federation for financial flows, products and services from other countries.

Of course, the developed set of modernization tools designed to build a modern system of tax policy will increase its competitive advantages by creating a favourable business environment and developing appropriate conditions for sustainable development of business structures, enhancing the attraction of foreign investment. Clearly, a colossal amount of work lies ahead, because the globalization of financial markets is accompanied by the consolidation of financial flows, the development of supranational institutions, and the deployment of tough competition. [2, 7, 9]

It should be noted that a tough tax policy leads to appearance of offshore jurisdictions, and, ultimately, will intensify capital outflow from the country. Measures and instruments of tax regulation are not enough to deoffshorize the Russian economy, but a political solution to the problem is needed. In fairness, we must say that the process has begun: in the summer of 2020, Russian President V.V. Putin only initiated amendments to the legislation of the Russian Federation for the revision of tax relations with the offshore zone of Cyprus, which has a worldwide significance.

It is about taking measures to avoid double taxation with low tax jurisdictions. For this event alone, Russia will receive an additional 150 billion roubles.

After this incident (it is difficult to say in another way), the Ministry of Finance of the Russian Federation began to develop several draft laws to combat offshore companies in order to activate the deoffshorization policy. A number of tax innovations are expected in it, including the law on controlled foreign companies, which makes it possible to take taxes on the profits of foreign subsidiaries, which were not previously distributed in favour of Russian participants; the institution of residence for legal entities will also be introduced...

But already today we can note positive "waves": the British Virgin Islands, the Isles of Man, Jersey and Bermuda have applied to the Ministry of Finance of the Russian Federation with proposals to conclude an agreement on the exchange of tax information. It is expected that a number of promising new tax policy instruments will emerge to enable prompt identification of non-transparent activities.

CONCLUSIONS AND OFFERS

The results of our research allow us to assert that in the context of globalization and the intensification of the international integration of economic relations, the problems of developing a modern highly effective tax policy focused on ensuring sustainable economic growth have become especially active.

In today's realities, in order to confront the risks of financial globalization, a new post-crisis model for the development of the Russian economy is needed. In this regard, we identified and analysed the main limiting factors for building a new model of economic growth, which allowed us to substantiate the need to create and develop a favourable business environment and propose a set of measures for its formation.

In the course of our study, we found that a number of methodological difficulties in diagnosing the institutional mechanism for the formation of a favourable business environment can be explained by the difficulties of the analytical apparatus used in relation to the study of resource, institutional and organizational constraints.

A set of tasks and measures for building modern organizational and economic conditions and tax institutions that contribute to the development of the business environment, the implementation of which, in our opinion, should ensure overcoming the socio-economic consequences of systemic risks and threats of financial globalization, is proposed.

The current modernization of tax policy should be carried out in the context of active mobilization of financial resources and directions for the successful solution of the socio-ecological and economic development problems, the search for highly effective innovative tools that allow to actively stimulate the development of business structures.

The necessity of a radical adjustment of the deoffshorization policy is substantiated and the ways of its implementation are proposed. All this in combination will allow all participants in the economic system under

consideration to receive additional tools for ensuring sustainable development. We are talking about the formation of a new institutional model, the implementation of which will allow the participants to reorient their strategies and thereby ensure a qualitatively new industrial growth.

It is concluded that the tax climate and the developed infrastructure of financial institutions are the key determinants of the business environment.

CONFLICT OF INTEREST

The authors declare no conflicts of interest.

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