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CONCEPTUAL APPROACHES TO THE DETERMINATION OF DIRECT AND INDIRECT TAXES

Summary

The article investigates scientific approaches to the definition of the nature of the division of taxes on direct and indirect. It was established that the first among the criteria for the division of taxes into direct and indirect was the criterion of transferability. It is determined that with the development of European economic schools there was a denial of the possibility of using tax transfer as an exclusive criterion for the division of taxes on direct and indirect. It has been established that in the process of evolution of scientific theories the tax object and the solvency criterion were also based on the classification of taxes on direct and indirect ones.

Taking into account the existing approaches, which indicate significant controversy in this issue, author's definition of the essence of direct and indirect taxes is given, based on such criteria as the object of taxation (income or expense) and the subject of tax (taxpayer or carrier tax burden). Direct taxes are mandatory payments that relate to a separate payment amount when it means that it is in force (or that one, which is used) an object of taxation in the form of income, profits, property and resources, which have an impact on its financial and property status through the removal of part of the personal income of the payer. Indirect taxes are taxes, the mechanism of charging which is conditioned by the occurrence of consumer costs associated with the consumption of goods, results of works, services and provides for the possibility of full or partial transfer of the tax burden from a legally determined taxpayer such taxes on the consumer goods, works, services.

The views of scholars from the point of view of attachment to a direct or indirect form of taxation are considered. Taking into account evolution in tax administration processes, the vision of modern advantages and disadvantages in the mechanisms of direct and indirect taxation in Ukraine is presented. It is concluded that direct taxes have a greater degree of control over regulatory and socioeconomic processes in the state than indirect ones. At the same time, indirect taxation has a dominant advantage in the stability of budget revenues and more transparent mechanisms for their administration.

Keywords: direct taxes, indirect taxes, direct taxation, indirect taxation, classification of taxes, form of taxation.

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