



A Mechanism for Regulating Investment Activities by The State

Hasanova Yulduz Murtazaevna

Senior Lecturer, Department of Finance and Banking, Karshi State
Technical University, Uzbekistan

OPEN ACCESS

SUBMITTED 25 February 2025
ACCEPTED 21 March 2025
PUBLISHED 24 April 2025
VOLUME Vol.05 Issue04 2025

COPYRIGHT

© 2025 Original content from this work may be used under the terms
of the creative commons attributes 4.0 License.

Abstract: This article provides information on the state regulation of investment activities, the organization of the investment process, ensuring a stable environment, the essence and features of investment relations in legislative norms.

Keywords: Legislation, foreign investments, investment policy, tax incentives, preferential loans, macroeconomic development, exploitation, reconstruction, foreign capital.

Introduction: The formation of the republic's economy requires a rapid increase in a number of macroeconomic factors to ensure economic growth. Changes in this area are explained by the rapid pace of change. In order to stimulate and increase the sustainable growth of the country's economy through economic mechanisms, investment capital and the country's investment attractiveness play an important role.

The organization of the investment process, in the legislation, provides for the formation of norms for the formation of economic and social relations between the parties to the investment process, all stages of the production processes of tangible and intangible resources.

From the point of view of legislation, coordination of investment activities represents economic and legal relations related to the ownership, disposal and use of capital by foreign investors in the territory of another country. The participants in these relations are the state, legal and physical, foreign investors, including foreign legal entities, individuals, foreign states. The main goal is to make a profit, with a high probability of encountering risks from an economic point of view.

It creates the need to regulate individual investment relations that represent the necessary conditions for economic development. Legislative norms express the essence and nature of investment relations. The nature

of both individual and socially necessary investment relations in legislative legal norms creates unique methods of regulation.

Regulation of investment relations in the Republic of Uzbekistan on: the Laws "On Foreign Investments" dated April 30, 1998, "On Guarantees and Measures to Protect the Rights of Foreign Investors", "On Investment Activities" dated December 25, 2019, and "On State Protection of the Legitimate Interests of Business and the Promotion of Entrepreneurial Activities " No. PF-5087 dated June 19, 2017 Decree "On measures to radically improve the system of further development of the regions", August 8, 2017 PQ-3182 "On ensuring accelerated socio-economic development of regions" priority measures "about" and Uzbekistan Republic President's 2022 year

Decree No. PF-60 of January 28 "On the Development Strategy of the New Uzbekistan for 2022-2026", Law of the Republic of Uzbekistan No. ZRQ-604 of February 17, 2020 "On Special Economic Zones", Decree of the President of the Republic of Uzbekistan dated October 10, 2020 No. PF-6003 "On measures to accelerate the reform of state-owned enterprises and the privatization of state assets", Law of the Republic of Uzbekistan January 22, 2021 Law No. O'RQ-669 "On Public-Private Partnership" laws and other legal norms in this field, reflected in the performance of the tasks set will reach.

Adopted and effective laws and regulations are economic freedom of action protection of private property, interference of state bodies in economic activities to limit focused. Especially for foreign investors A number of guarantees have been provided, which the absence of restrictions on national, religious and territorial characteristics, the right to free use of their funds for conditions build was done.

Investment policy in our country The implementation of important strategic measures by the state is the first step. The following can be highlighted as priority tasks for the implementation of state investment programs.

- social and private positive formation of views.
- investors for one kind legal and economic mutual beneficial creating guarantees;
- supporting underdeveloped regions through various financial assistance - grants, subsidies, and subventions;
- optimization of the tax system, i.e. determination of the status of tax subjects, tax compacting the base and stratifying rates, to provide tax preferences based on the principle of fairness;
- investment projects done increase mechanisms improvement;

Based on its intervention in the economy The government's task of regulating the investment process is, first, to ensure that private entities in the national economy make capital investments. from increasing, secondly, the share of foreign direct investment the need to increase is considered.

Modernization of the economy, investment processes legal control, foreign investors' capital funds to new projects Orientation is necessary.

Specific to the regions of the republic taking into account the characteristics of the region, to underdeveloped regions, foreign by introducing simplified tax regimes that encourage investor investment The development of investment processes is of great importance.

Regulation of investment processes requires an approach based on the specific characteristics of individual regions, along with laws and regulations applicable at the national level. In regions that are lagging behind in development and have untapped economic potential, the state should pursue a differentiated investment policy aimed at improving the business environment possible.

The mechanism for applying tax incentives fairly is the most complex process. Because determining tax incentives and Implementation has different characteristics in foreign countries, this process characteristics of the macroeconomic situation of countries is described through.

Our country also in tax regulatory documents tax breaks current It is reflected that the tax is determined based on certain criteria. reliefs for the social situation of taxpayers, the network the urgency of developing sectors, the importance of taxpayers' production activities and exports of products that replace imported goods, as well as issues such as double taxation between countries is established based on economic relations. The criteria for tax incentives clear, objective transparent reflection taxation provides objective status.

Tax The result of using the benefits in the draw Although mainly aimed at ensuring macroeconomic development, in the interests of economic entities The above-mentioned situations include the use of various tax incentives, including reduced tax rates, the provision of favorable payment terms, and discounts on the amount of tax payable. such as imposing sanctions (financial measures), establishing tax holidays provided with approaches.

In the world In most developed countries, the function of taxes to stimulate and regulate investment activity is widely used. Investment tax credit is one of the main tax

incentives that stimulate socio-economic development.

In developed countries, companies are allowed to deduct a certain amount of their R&D and innovation expenditures in excess of the average annual rates for the current or base business period. These tax credits are used. Based on these tax incentives expanded reproduction and technical renewal, complete repair, reconstruction opportunity to modernize by doing is created.

Tax from the benefits in practice as follows use possible:

- profit from tax discount in a way given tax credit;
- tax from payments complete free to do or reduced tax rates application;
- tax rates do not change in accelerated depreciation, but the tax base is taxable profit is reduced (its certain amount included in non-taxable expenses).

Tax incentives are economic incentives provided by our government to support investment activities, but unlike developed countries, these countries have a higher need for financial resources and domestic capabilities do not allow them to provide the necessary funds. Economic in literature There are also opinions that advocate the fiscal functions of taxes, including the use of tax incentives, as a way to reduce average and top tax rates. In our opinion, when accepting foreign capital, the lender, when developing its tax policy, seeks to create favorable conditions, taking into account the interests of the party directing the investment. In our country Tax incentives such as reducing tax rates, reducing the amount of tax, deducting it from the taxable base, and partial and full exemption from taxes are being used in practice.

REFERENCES

O'zbekiston Respublikasi Prezidentining 2022 yil «28» Yanvar № PF-60-son farmonida 2022-2026 yillarga mo'ljallangan "Yangi O'zbekistonning taraqqiyot strategiyasi".

O'zbekiston Respublikasi Prezidenti Shavkat Mirziyoevning "Erkin va farovon, demokratik O'zbekiston davlatini birgalikda barpo etamiz" Prezidenti lavozimiga kirishish tantanali marosimiga bag'ishlangan Oliy Majlis palatalari qo'shma majlisidagi nutq – Toshkent : O'zbekiston, 2016. – 56 b.

O'zbekiston Respublikasining "Investitsiya faoliyati to'g'risida" gi qonuni, 2014 yil 9 dekabr, // Soliq va bojxona xabarlar, 4-son, 2015 yil, 3-bet.

O'zbekiston Respublikasi Prezidenti Shavkat Mirziyoevning Oliy Majlisga Murojaatnomasi Toshkent : O'zbekiston, 2021. Y.

O'zbekiston Respublikasi Prezidentining 2019 yil 14 maydagi PF-5717-son "O'zbekiston Respublikasi investitsiya dasturini shakllantirish va amalga oshirishning sifat jihatdan yangi tizimiga o'tish chora-tadbirlari to'g'risida" gi farmoni.

A.Vahobov, A.Jo'raev Soliqlar va soliqqa tortish: Darslik / – T.: "Sharq" nashriyoti – 2015. – 448 bet

A.V.Vaxobov, Sh.X.Xajibakiev. Xorijiy investitsiyalar T. "Moliya" 2010 yil 156-bet.