The Theoretical Aspects of Social Taxation Significance

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Abstract: Due to certain economic, political and other reasons, individuals live together; the public bodies provide the population with a definite set and combination of services aimed at maintaining the whole society integral receiving instead various taxes. The scientists representing different scientific schools treating the tax as payment (barter) for the services provided by the state, manifest a broad range of propose definitions and has now the proponents and opponents of this theory.

Key words: Sphere of services • State • Population • Money resources • Mandatory payments • Taxes

INTRODUCTION

Since the time when individuals due certain economic, political and other reasons, began to live together, the public power bodies acting on behalf of the state, provide the population with, a definite set and combination of services aimed at maintaining the whole society integral receiving instead various types of mandatory payments.

The list of services provided by the state both for personal and collective consumption, is quite variable covering the most cost-based and essential social life matters of provision socially significant benefits and services.

In accordance with the theory of economical science, the financial relations emerging between tax payers and the state (providing the services and the so-called benefits equivalent to received taxes) should be closed.

In fact, though not quite true, because the state does not always have enough recourses at its disposal to prepare and provide the relevant services needed to maintain public life.

When the own means are limited, the state is obliged to attract the resources of other bodies for fuller and comprehensive provision of services, in particular, the private nonstate economic sector.

However, any service on the part of the state, whatever its type for what public life it is intended, requires the relevant money resources needed for its proper provision.

The state cannot finance itself directly or provide the money resources to the public power bodies only through the body accumulating the mandatory payments into budgets of all levels and funds, in other words, through the proper fiscal tax system.

As the economic relations between individuals, groups, territorial institutions, evolve and expand, the need has emerged to broaden public functions and services provided by the state.

It necessitated continuous attraction of money resources to the state (public) power the form of taxes which become the state profit source by simultaneously adding the number of tax payers.

Meanwhile, all forms and ways of collecting takes always reflect the distinct fiscal nature and the implemented economic strategy would always reflect the interests of the main addressee or the state which benefits from the accumulated money resources.

After the state appeared, the institute of ownership evolved so the matters of providing social services and their range were already decided by the public power bodies, including the types and forms of attracting money recourses.

Concurrently the nature and essence of taxes were theoretically rethought as the main source of state profit which was expressed in various scientific theories and concepts.

The matters of studies of the content, essence, meaning of taxes and their role in the state economy are investigated in large number of foreign and home publications.
But abroad the matters are not studied often relating to the tax, such as the forms of solving social contradictions between the state and tax payers, which became particularly challenging when Russia is on the way of transition to the market economic conditions.

Comprehension of the idea of fairness of taxation and inevitability of paying taxes, search for optimal limits of the tax burden, has always been and remains so far the regular Component of economic theories [1].

Scientists of various countries and epochs have intensively developed the basic postulates of taxation theoretical aspects; have studied the nature and essence of taxes, the opportunities to improve the system of their collection, methodological approaches, et cetera. All this has been reflected in the studies of home and foreign scientists both in the domain of economics and other sciences.

Their works served as the basis of fiscal and tax strategy and governed the progress of theoretical and practical aspects of taxation.

Though the taxes seem to be relatively studied, it is still necessary to conduct further research in this domain due to the fact that there is no clear-cut concept so far which would combine their social and economic significance and role in the social progress with the fiscal essence of the state strategy.

The problems of taxation influence on the main tax payers, the real entities, are not studied enough, like the forms and methods of public attraction to forming the state budget profit sources the relation between taxes and provided benefits in distribution and other processes as well the state role in reducing the profit differentiation based on the material benefits of population groups.

In addition, considering the tax social essence, the role and interests of another group of tax payers, or the economic subjects, in the development of a community, the territorial unit and the state.

The juridical entities create the competitive environment during pricing of goods and provision of services, they influence the investment attractiveness and regional competitiveness, the size of the tax basis and, what is most important they create jobs as the foundation for the real entities.

To receive taxes and profits both for themselves and the households with interests they represent.

As a rule, most researchers have and consider the taxes in the following role:

- Obligatory payment or contribution treated in the interpretation established by legal acts and propose own interpretation;
- As the economic, financial and legal category;
- As the tool of distribution of resources;
- As the economic relations;
- Or propose summary definitions combing the positions and views of different scientific schools.

In their turn, the scientists representing different scientific schools interpreting the tax as payment (exchange) for the public services provided by the state have a broad range of proposed determinations. At present this theory has no proponents or opponents; let us consider some of them.

Home researchers. The tax acts as the remuneration of the services of administrative personnel and separate socially meaningful offices. The tax is the form acquired by the cost of production of various public benefits provided by the state to its citizens [2].

The tax is a specific irrational and monopolistic price of the services of the state relating to fulfillment of its functions. In this case, the tax implies the combination of taxes of a given type.

Received by the state in exchange for combined services in the exchange proportion of the total state expenses [3].

The fair taxation system is considered that when the taxes are paid by tax payers in accordance with the benefits they receive from the state services, in other words, the tax system fairness depends on the structure of state expenses [4].

The tax payment is a one-way financial means movement, in the exclusive cases from other recourses from the tax payer to the state without a blowback of the personified state services.

Foreign scientists. The tax should be adjusted as the price designed to maximize satisfaction which the consumer enjoys from paying public and private services [6].

The tax is obligatory payment by the household or company to the state in exchange for what they do not receive goods or services [7].

Any tax is also the price paid by individual or a group for public services which are provided collectively [8].

The tax size can be determined as the price the consumer pays to receive maximum satisfaction from the payment for the services provided by the state and private bodies [9].
The taxes are payment for the social civilization level because many state functions are essential [10].

The taxation of obligatory collection among private bodies and organizations conducted by State to obtain means for financing public benefits and services with the controlling the sizes of private profits in the economy [11].

Nobody would approve introduction of taxation at the constitutional or postconstitutional decision making stage, had no profit had been expected from goods or services which would probably financed from the collected profits.

The use of the taxed profits can be considered as financing of at least some benefits and services which can be provided only collectively [12].

Brennan, Geoffrey and James M. Buchanan set aside at this stage any limits on taxpayer behavior caused by the recognition that some proportion of revenue is spent on public goods which would otherwise not be provided. This is entirely reasonable if we bear in mind that the taxpayer in question is one among many, each of whom will rationally "free-ride" by avoiding taxes [13].

More intellectually respectable is the contention that insofar as government supplies society with "collective goods" or "public goods" it is supplying a necessary service and is in a sense voluntary and neutral to the market.

In the first place, even if there were such things as collective goods, government supply would establish neither its voluntarism nor its neutrality. Even if there were no other way to supply these services, taxation to provide them is still compulsory.

And since it is coercive, there is no standard, as there is on the market, to decide how much of these services to supply by taxation. And the more the government provides, the less people are allowed to spend on their own private consumption [14].

In general, summarizing the tax interpretation presented in different information sources, the following main postulates of the tax definition can be formulated and summarized:

- Alienation (withdrawal) into the state disposal a portion of individual (personified) profit for satisfaction of public services provided by the state;
- The mandatory imperative nature of appropriation of the portion of money resources from the owners based on the legal norms to satisfy the tasks and problems the public power bodies’ face;
- Individual disinterestedness;
- Regularity (periodicity) of payments.

But mandatory payments are made by quite definite subjects:

- Particular juridical and real entities the behavior of which ensues from own economic postulates, preferences, expectations, terms and conditions.

It means that the position and functions of property owner is in the first place and the owner independently decides in what scope and when the mandatory payments are to be made and expects that the state will provide a certain set of social benefits and services.

Proceeding from the above, it can be concluded that the usefulness of benefits for the society and their target of providing public services, the taxes possess the attribute of coercive measures permitting to recognize them an economic category possessing definite contradictions.

It should be emphasized that the sphere of services provided by the state should take into account the specific features of the progress of the country and its territorial subjects, public and society interests.

This matter contains a specific feature of contradiction between the state’s limited opportunities of fulfilling social functions and the prevailing public idea about the public main to alienate forcefully a portion of mandatory payments and its size and the degree of expectation by tax payers from the scope and quality of services provided in exchange by public power bodies.

In contemporary studies, the relations between the state and the society are often viewed through the circumstances of the public power bodies originating from the social state nature.

The state social circumstances are understood as they are fixed in the Constitution and other normative acts of the country, by the determined definite services, benefits, subsidies and other benefits which the state provides to its citizens [15].

When fulfilling its social obligations, the state strives to provide access to the minimum social benefits and services to all population categories leveling the existing social differentiation in the Russian society ensuring its stable development.

Thus, the main target of the Russian state, when the sphere of services is formed according to the market relations, should be determination of prioritized trend of the state policy in order to smooth the contradictions acquiring the sharpest outline during the ownership distribution and redistribution.
But the state should possess the required financial resources to provide socially meaningful benefits and services. The main source is the mandatory payments by juridical and real entities; if they are insufficient, the state should attract their means of third party investors.

Therefore, the tax as a financial resource is the economic basis to implement the services in the process of state and private partnership aimed at satisfying the basic modern society requirements.

The taxes from the general theoretical viewpoint of the economical science are the relations which evolve between the centralized and decentralized economic sectors when determining the prices of services provided by the state.

The need of the state in economic and theoretical modeling is an apparent fact of the state participation in distribution of resources, choice of technologies and determination of budget restrictions for individuals.

The discussion of the models of state origin, the state essence and state services, as well as the rules, including consequences, provision of the latter is the attribute of economic and theoretical aspects.

Uncertainty, hence the problems of these aspects [16] at the present social development require to develop scientific concepts and theories of the economic science corresponding to the requirements and realities of the contemporary epoch.

The above-said permits to conclude that the taxation system setup in the Russian society should be based on target-oriented investments by juridical and real entities of state provision of a definite list of benefits and services.

This comprehension of interaction in the process of taxation permits to represent juridical and real entities as investors deliberate spending their financial resources to develop the country infrastructure receiving instead the material and non-material benefits, not as anonymous tax payers.

REFERENCES