

TAXATION OF AGRICULTURAL ENTERPRISES IN UKRAINE

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Summary: Current changes in the tax system of agricultural enterprises are investigated. The sums of the fixed agricultural tax in 2014 and of the single tax in 2015 are compared. The directions for improvement of agricultural enterprises taxation are offered.

Keywords: agricultural enterprises taxation, fixed agricultural tax, single tax, VAT.

Problem setting. Taxation is an important factor of government's influence on the economy. The system of agricultural enterprises taxation changed substantially in 2015, but it still requires improvement for stimulation of agriculture development and increase of the local budget receipts.

Results of the research. In 2014 most of agricultural enterprises of Ukraine paid fixed agricultural tax, value added tax, personal income tax (as a tax agent), land tax, and ecological tax [1].

In 2015 fixed agricultural tax was replaced with single tax. The fourth group of single tax payers was created for agricultural producers. The order of taxation base calculation was changed, now it's necessary to use indexation of the normative monetary value of land. The rates of single tax in 2015 are three times higher than the rates of fixed agricultural tax in 2014.

Table 1 shows the comparative calculation of single tax in 2015 and fixed agricultural tax in 2014 for the agricultural enterprise DP DG "Vidrodzhennya" located in Melitopol district of Zaporizhia region.

The land area of the enterprise changed insignificantly during this period but the sum of tax grew in 21 times. This year the enterprise will pay 138 UAH per hectare of arable land. In 2014 the sum of tax was 6,5 UAH per hectare, that was absolutely insignificant, and the local budget receipts were so low.

Table 1

**Comparative calculation of single tax in 2015 and fixed agricultural tax in 2014
for the agricultural enterprise DP DG "Vidrodzhennya"**

Category of land	Land area, hectare	Normative monetary value of 1 hectare, UAH	Tax rate, %	Tax sum, UAH
2014				
Arable land	4090	4356	0,15	26724,06
Perennial plantations	28	4665	0,09	117,56
The sum of fixed agricultural tax in 2014				26841,62
2015				
Arable land	4074	30574,76	0,45	560527,08
Perennial plantations	28	18646,00	0,27	1409,64
Land of water fund	2	30574,76	1,35	825,52
The sum of single tax in 2015				562762,24

The second direction of the state support of agriculture through taxation is the special tax treatment of value added tax, which is implemented temporarily until 01.01.2018. The essence of this special tax treatment has not changed. It stipulates the accumulation of VAT on the special accounts opened in banks according to the order approved by the Government of Ukraine [2].

The main advantage of the special tax treatment of VAT is the possibility for agricultural enterprises to get additional money that can be used for production purposes. This resource exceeds the volumes of the direct budgetary financing. In 2014 DP DG "Vidrodzhennya" paid to the budget 43615 UAH of VAT, and at the same time it accumulated on special account 920974 UAH of VAT according to special tax treatment.

Conclusions. In 2015 the tax pressure on agricultural enterprises increased because of replacement of the fixed agricultural tax for the single tax. The way of further improvement of this tax is to establish harder criteria for enterprises that want to use this mode of taxation (limitation on the level of income, limitation by the area and the types of activity). The special tax treatment of value added tax is the most substantial form of the state support of agricultural enterprises in Ukraine. Its discontinuation in 2018 can result in unprofitability of most agricultural enterprises. This special tax treatment must be prolonged or replaced with a new effective mechanism of agrarian support in Ukraine.

Literature.

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