Basic control methods in the context of the use of digital technologies

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Abstract. The article discusses modern digital technologies used by tax authorities, their impact on business activities, which can reduce costs for organizations and individual entrepreneurs. Digital transformation to ensure a high level of tax administration will reveal elements of the shadow economy. The main attention in the work is paid to such type of control as tax monitoring, which has recently been actively introduced into the practice of working with major organizations. The levels of risks that will be key during monitoring are indicated.

1 Introduction

The post-industrial type of economic development is characterized, among other things, by the widespread use of information technologies in the activities of both state bodies and legal entities and individuals [1]. In accordance with federal law, information technology is "the processes, methods of searching, collecting, storing, processing, providing, disseminating information and ways of implementing such processes and methods" [2].

The purpose of using information technology is to improve the conditions for doing business.

The positive aspects of the development of digital technologies in the field of tax legal relations are noted in the scientific literature. New information technologies and the formation of a unified information space for administration made it possible to increase the collection of budget revenues without increasing the tax burden [4].

2 Materials and Methods

The research was carried out using general scientific research methods (synthesis, system method, structural method). Based on the results of the study of regulatory acts, explanations of regulatory authorities, judicial practice, the levels of tax risks that enterprises need to take into account in the course of their business activities are determined.

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3 Results and Discussion

The economic activity of both large industrial enterprises, agro-industrial complexes, and small businesses, including small farms, carried out with the help of digital technologies, is based on the use of software. At the same time, the sale of goods, services and services is provided through e-business, e-commerce.

The introduction of modern information computer technologies into the activities of state bodies contributes to:
1) acceleration and optimization of managerial decision-making processes;
2) simplifies the procedures for the submission and receipt of the necessary information and documents by citizens and organizations;
3) optimizes the activities of state bodies, which allows to reduce the number of employees and reduce budgetary expenditures on the state apparatus [5].

Measures for digital development, the use of digital technologies held at the state level will improve the quality and efficiency of workflow based on high-tech solutions. Thus, the implementation of a project for the exchange of electronic shipping documents in cross-border trade between business entities will reduce the non-production costs of businesses and states associated with the registration of paper documents.

The processes of improving information technologies are currently continuing in the tax authorities. It should be noted that the main activities of the department are related to the continued introduction of digital technologies, which are indicated in the Strategic Map of the Federal Tax Service of Russia for 2021-2023.

Digital services that are planned to be introduced in the coming years (see Fig. 1).

Fig. 1. The main digital services planned by the Federal Tax Service of Russia for 2021-2023

One of the applications that allows not only to reduce the number of visits to the tax authority, but also to take advantage of other opportunities is "My Tax". The application is designed for taxpayers of professional income tax, it allows you to register, incl. from the phone using the GooglePlay and App Store services, which allow you to download the application and work. Through the application "My Tax", interaction takes place between the tax authorities and the self-employed, and the customers of the self-employed person. It should be noted that self-employed taxpayers can carry out the following activities: sale of products of their own production, for example, production and sale of dairy products;
provision of passenger and cargo transportation services; construction work and repair of premises, etc. Using the application, you can generate and send a receipt to the buyer, monitor the accrual and timing of taxes, which produces the tax authority. It is possible to obtain a certificate to confirm income, as well as to conduct a detailed financial analysis of your activities using the available analytics tools [6].

For individual entrepreneurs, a mobile application has been created for the service “Taxpayer Personal Office for Individual Entrepreneurs” (hereinafter referred to as the LC IP). You can download the application, which was created for the iOS and Android platforms, in the AppStore and GooglePlay application stores, as well as on the official website of the Federal Tax Service of Russia. The application significantly simplifies the procedure for state registration of an individual entrepreneur; when using the LC IP mobile application, registration will be carried out within one hour after the registration authority issues a receipt for receiving documents [7]. Interacting with tax authorities through an online personal account, an individual entrepreneur can use the following functions and obtain information:

- receive your extract from EGRIP, as well as all information about registration with tax authorities;
- to receive information about tax arrears, the presence of overpayments, decisions of tax authorities on the offset and return of overpaid (overly collected) amounts, on settled debts;
- on unfulfilled claims for payment of tax and other obligatory payments, measures of compulsory collection of debts;
- pay debts and current tax charges;
- information about the available cash register equipment;
- on the status of documents sent to the tax authority (appeals, statements, declarations);
- choose the optimal tax regime.

Note that the use of digital technologies allows you to save on the payment of state fees. For example, if an individual engaged in the production of agricultural products for registration as an individual entrepreneur sends documents to the registration authority in electronic form, then payment of state duty in this case is not necessary [8].

The technologies being introduced also make it possible to reduce administration costs and strengthen control over the revenue and expenses of taxpayers [9].

To control the VAT refund, the comparison of VAT tax returns, the ASK VAT-2 program is used. The system automatically detects whether the tax has been calculated correctly and deductions have been declared for it, in addition, the program allows you to identify fictitious deductions on invoices from nominee organizations. The program evaluates organizations by 84 factors, incl. tax burden, profitability, debt to the budget, etc. Information about the criteria for tax risk in the program is displayed in three colors - red, yellow and green. Companies in the red group are subject to more thorough scrutiny, as have high tax risks. To identify such taxpayers, the program uses the following criteria:

- lack of sufficient assets, minimum number of employees, lack of property
- inactive financial and economic activities
- the company does not fulfill tax obligations or fulfills them to a minimum, namely: the taxpayer does not submit a declaration, violates tax legislation or observes it only formally.

Currently, to control the largest taxpayers, an online form of tax control is being introduced - tax monitoring. As indicated on the official website, this type of control “replaces traditional checks with online interaction based on remote access to the taxpayer's information systems and its accounting and tax reporting” [10]. In particular, this form of control can be used by enterprises of the agricultural sector that meet the established criteria, which in modern conditions have a high level of state incentives.
The main distinguishing feature of tax monitoring from other forms of control is real-time access to the organization's accounting and tax accounting data.

The organization's transition to tax monitoring allows reducing the number of control measures, i.e. the inspectorate does not have the right to conduct desk and on-site tax audits. Cases have been identified when the tax authority will still be able to conduct a chamber or on-site inspection of a taxpayer who has switched to monitoring (see Fig.2).

![Fig. 2. Situations in which office and field inspections will be carried out](image)

Through tax monitoring, organizations and the tax authority carry out a comprehensive risk analysis. At the same time, it is assessed how effectively the organization's internal control system works. On transactions related to the issues of correctness of tax calculation, which cause ambiguity, the organization may apply to the controlling body conducting the monitoring with a request for a reasoned opinion. The tax authority will draw up a reasoned opinion, which will reflect an explanation of the relevant issue. If the organization, as a result of the implementation of the recommendations, arises an arrears, then the implementation of a reasoned opinion will release from the accrual of penalties and fines. Additional accrual of fines and penalties will follow if the organization provides inaccurate information to draw up a reasoned opinion.

This form of control allows at the stage of planning transactions to prevent the occurrence of tax risks. In accordance with the norms of the current legislation, the tax authority conducts a comprehensive risk analysis, which makes it possible to assess the organization's internal control system [8]. Based on the results of such an analysis, inspections will be planned, their method and the amount of required documents will be determined.

As V.G. Panskov notes, tax risk is associated with the likelihood of financial consequences not only for the taxpayer, but also for the state. For the state, the risk lies in the lack of financial resources, while for the taxpayer it is a decrease in economic and financial potential. At the same time, it is noted that the legal nature of tax risk is based on a change or violation of tax legislation [11]. To reduce the negative impact of risks, such a form of control as tax monitoring is used.

The risk-oriented approach applied in the framework of monitoring will allow improving the control system both on the part of the taxpayer and on the part of the tax authority. This joint risk assessment will increase confidence in the reliability of the data included in tax reporting (see Fig 3).
Assessment of risks

**taxpayers**
disclose the risks identified by their internal control system

**tax authority**
- assesses the industry risks and draws up the Industry Risk Map;
- analyzes the risk matrix and control procedures of the organization;
- compiles the risk profile of the taxpayer;
- forms a plan for tax monitoring and determines the scope of control activities

**Fig. 3. Assessment of risks**

A reasoned opinion drawn up based on the results of consideration of documents will allow the organization to get a position of the tax authority and, accordingly, reduce its risks.

Currently, tax monitoring can only be carried out by the largest taxpayers who meet the established criteria. Currently, tax monitoring can only be carried out by the largest taxpayers who meet the established criteria. In order to cover a larger number of enterprises applying for this form of control, relevant amendments have been made to the legislation, which have been in effect since July 2021 (see Table 1) [8]. It is possible to apply for monitoring only if all of the above conditions are met.

**Table 1. Criteria established for tax monitoring**

| Criteria for monitoring | until July 2021 | from July 2021 |
|-------------------------|----------------|---------------|
| The total amount of VAT, excise taxes, personal income tax, income tax, mineral extraction tax and insurance premiums | at least 300 million rubles | at least 100 million rubles |
| Income according to accounting (financial statements) | at least 3 billion rubles. | at least 1 billion rubles |
| The value of assets according to the financial statements (as of December 31) | at least 3 billion rubles | at least 1 billion rubles |

The use of modern information technologies should stimulate organizations to:
- technological development of accounting systems;
- raising the level of the internal control system.

From 2024 it is assumed [8]:
- transition to 100% integration with information systems of organizations, which will make it possible to cancel information interaction of organizations with tax authorities via telecommunication channels (TCS);
- rejection of the traditional system of retrieving documents in connection with the introduction of the possibility of auto-retrieving missing documents from taxpayers through their information systems.

Let us consider in more detail the risks that are highlighted in the current regulations. The tax authorities have identified 6 groups of tax risks, which in turn are divided into two
The first level of identifying tax risks includes a step-by-step reflection of the facts of economic life in tax accounting (see Fig. 4).

At the second level of risks, violations that are committed by taxpayers are indicated in more detail. So, for the level of risks: the procedure for payment (transfer) by the organization of taxes, fees, insurance premiums, the following risks of the second level are indicated:
- incomplete payment;
- violation of the terms of payment;
- incorrect indication of details in payment documents.

![Diagram of tax risks]

Fig. 4. Risks attributable to the first level

The risk reflected for the first level: calculation of indicators of tax accounting registers and tax reporting forms, the second level risk, in particular, is incorrect filling of tax returns (incomplete reflection of indicators in tax reporting).

Here are a few examples that should be attributed to the incorrect filling of reports.

In practice, one of the simplest declarations to fill out is a declaration under the simplified tax system with the object of taxation "income". A common mistake is not to include all income in the tax base. Receiving payment from buyers with cards in income, you need to reflect all amounts, not excluding the bank's commission.

The SZV-M report is also quite simple to fill in, but errors are encountered when filling out this report. A common mistake is that contractors who performed work under a civil...
law contract were not reflected in the report. Development of a workflow schedule will allow timely reflection of the data of GPC agreements in the reporting.

4 Conclusion

Thus, the development of an internal control system, including industrial and agricultural enterprises, taking into account regulations, is a prerequisite for the work of organizations. Taking into account the risk levels determined by the tax authority, as well as arbitration practices related to tax disputes, enterprises have the opportunity to reduce risks.

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