

THE MEASURES COMPLEX OF REDUCING TAXATION AS THE WAY TO ATTRACT INVESTMENTS IN INNOVATIVE SPHERE

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Business development is closely connected with implementing novelties, as in current conditions of tough competition on the international markets innovations play one of the key roles in promoting business. By innovation we mean the process from emergence and development of the initial idea to creation of new products, services and technologies or their enhancement with provision of legal protection of copyright, with subsequent creation of a prototype or a model proving their practicability.

It should be noted that under current financing and management certain opportunities occur to accomplish the most perspective innovation projects and high-tech developments that require several years of hard work to be successfully commercialized. Commercialization ensures market demand satisfaction within a single scientific and reproduction cycle. Such process of continuity and consistency depends on the level of integration of science, education, production and market [1].

In the conclusion of the article we suggest a number of ways to improve tax regulation of innovative activity of country.

– introduction of «tax holidays» for newly established manufacturing businesses as well as exemption of research and innovation organizations from income tax during their first five years of work;

– in order to follow the principle of equality of taxation and equality of competitive conditions it is advisable to exempt from VAT any research and development activities with unlimited source of funds and types of organizations in which they are performed [2];

– to introduce a reduced rate of personal income tax (or even full exemption from payment of this tax) for the personnel involved in research activity. It will create preferential conditions for development of research and high-tech production;

– for scientific organizations engaged in applied research and development: make them free from land tax on the land they use for research and development. This measure is also important for scientific organizations conducting fundamental research as well as exemption from paying property tax. As scientific activity is carried out by higher schools, a property tax exemption may apply to them which fact will promote merger of higher education and science on the whole. Property tax is a regional tax, so consideration for the introduction of this tax rebate is expedient to transfer to the subjects of the country. Along with this tax exemption on property can be adopted on the federal level as it has been done with state scientific centers, with organizations having nuclear installations and using them for scientific purposes and some other types of organizations and property [3];

– exempt from property tax new scientific, technological and industrial equipment within a year from the moment when it was bought by a taxpayer on condition of setting the equipment on the balance sheet. Organizations that purchased scientific, technological and industrial equipment acquired for transactions between related parties excluding the cases when the equipment was transferred by a founder as a contribution to the share capital or contribution to the property of a legal entity.

Thus it should be noted that such measures complex of reducing taxation as the way to attract investments in innovative sphere and many others.

References:

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