

2. Солиқ юкининг оғирлиги баъзи кишиларни қаттиқ ишлашга йўналтирса, айрим кишиларга аксинча, салбий таъсир кўрсатади.
3. Давлат хазинасининг ўз вақтида тўлдирилиши, мамлакат халқининг турмушидаги мутаносибликни таъминлайди.
4. Солиқ турларининг кўплиги давлат иқтисодиётининг ривожланишини белгиламайди.
5. Кишиларнинг солиқлар ҳақидаги фикрларини ижобий томонга ўзгартириш солиқчиларнинг ҳам вазифасидир.

• **Read the text and translate it into Uzbek in oral form. Write essay about your country's taxation system.**

TEXT

THE GENERAL STRUCTURE OF THE TAX SYSTEM IN THE UK

In any attempt to compare the incidence of taxes in different countries, it is necessary first to look at the tax system as a whole. One must measure the total burden of taxation in relation to a country's economy and compare the balance of the two main forms of taxation, direct (mainly personal taxes on income and, in Britain, rates) and indirect (e.g. taxation on the purchase or consumption of goods and services)

Comparing the balance of direct and indirect taxes in any country gives the insight into the psychology of taxation. Excessive direct taxation will appear to the citizen to hurt his pocket more than when a similar sum is extracted from him by the indirect method of taxing the goods he buys. Indirect taxation on a selected range of goods does give a certain element of choice which direct taxation does not.

Comparison of the total weight of taxation in the UK with other countries shows that ours is not the heaviest burden. Gross tax revenue of all kinds amounted to 31 per cent of GNP in this country in 2004 but France (36 per cent), Germany (33 per cent), Sweden (37 per cent) and Holland (33 per cent) all shoulder a heavier burden and only in the US (26 per cent) is a significantly lower proportion of national output. In fact, the UK is very close to the average in this respect, moreover the share of taxation in GNP increased considerably less the UK between 1998-2004 than in the other countries except West Germany and the US.

(from "Britain's Taxes. Some International Comparisons")

• **GRAMMAR REVISION: The Sequences of Tenses**

Direct Speech (ўзлаштирма гап)	Indirect Speech (кўчирма гап)
I am a student, he said.	He said he was a student.
I have passed all the exams, He said.	He said he had passed all the exams.
I'll be an economist, he added.	He added he would be an economist.
Will you be an economist too? he asked.	He asked if I would be an economist too.
When will you graduate from the University? he inquired.	Then he inquired when I would graduate from the University.

• **Complete these sentences:**

The newspaper said the rate of unemployment...

The author emphasized that official figures of...

We knew that the stock market...

The graph showed that wholesales had...

Media experts believed that electronics...

One of the students explained that...

• **Read and translate the text “Income Taxes”. How is taxable income calculated in different countries?**

UNIT 17.

**TEXT
INCOME TAXES**

Taxes on income from earnings are the most obvious and immediate taxes which most individuals pay. In most countries, the tax is progressive. The larger one's earnings, the higher the rate of tax is levied. A government usually fixes allowances, which can be set against income before tax is payable. Tax is then levied at higher rates as income rises up to a final top rate. There may be many bands, rising increasingly from just a few per cent to rates up to 70% or 80% for the highest

earners in some countries. For one year in the U.K. in the 1990s an additional tax levy taxed the highest earners at more than 100%. This meant that the tax payer, as well as losing the whole of his or her income after a particular point, also paid, in effect, a levy on wealth. The tax at which the highest rate is paid by the individual is known as the “marginal rate”. This is important when paying tax on income which may be received gross (without the expenses being deducted).

In recent years governments have tried to simplify income taxes and take the lowest earners out of tax equation altogether. There has also been a trend away from direct taxes on income to indirect taxes, which are generally, though not entirely, optional. All indirect taxes on a particular good or service are levied at one rate, and are never progressive. Some items, which are regarded as necessities, are free of indirect taxes in some countries.

Taxable income is not calculated in the same way in every country. A wide range of income may or may not be subject to tax. There is a basic qualitative difference in what income is liable to tax. Some countries have a global approach to taxation. This means that an individual resident in a particular country pays tax in that country on his or her income, wherever in the world it arises. For instance, an actor, writer or even a businessman may have income in any one tax year from a number of countries. Where he is resident in a country with global taxation he must declare all his income to the tax authorities, who will then tax him on the total. The USA, the UK and most advanced industrialized countries have global systems of taxation.

Other countries (Singapore and Malaysia are examples) have a territorial system of tax. This means that income is only taxed in the country when it is transferred there. For instance, if an individual has savings offshore, or dividends from investments, and leaves that income offshore, it is not liable for tax.

Income tax may simply be paid to the central government. A *pay-as-you-earn system* (PAYE), first originated in the UK, is being used by an increasing number of countries. Its chief advantage is efficiency: as tax is deducted before salary or wages are paid, avoiding payment is difficult. Furthermore, employers effectively become unpaid tax collectors.

PAYE can operate only when the tax payer is employed by someone else. The self-employed must pay directly. Some governments collect a basic amount through PAYE, with a much larger proportion paid annually after the end of the tax year when the individual’s tax form is submitted. Many governments offer some form of PAYE to the self-employed, or at least impose it on lower-paid workers who might have difficulty in finding a lump sum once a year.

Income tax is not always levied simply at a national level. The USA has state and federal income taxes. Local income taxes are favored in some countries. Local and national services have to be funded. The money may be paid for these by central government from the total tax it raises, or by a local tax on property values, or sales, or through a flat-rate head tax, as in the community charge. Income tax has the

advantage over this: it is most directly related to ability to pay, but it is not popular with the public. It is difficult, it must be admitted, to devise any tax which is popular, but a flat-rate head tax, levied on earners and non-earners alike, is perhaps the least popular. A flat-rate head tax, in contrast to progressive income tax, is regressive, most affecting those least able to pay. (from "Guide to international Finance" by Alen M.)

Vocabulary list you may need

flat-rate head tax - белгиланган жон бошига солиқ
progressive income tax – ўсиб борувчи даромад солиғи
ability to pay – тўлай олиш имконияти
local income taxes – маҳаллий даромад солиқлари
tax form is submitted – солиқ бланкасини тақдим этилиши
dividends from investments – сармоялардан олинадиган фоизли дивиденд
territorial system of tax – ҳудудий солиқ тизими
liable to tax – солиққа тортиладиган
simplify income taxes – даромад солиғини соддалаштирмоқ
end of the taxyear – солиқ (молия) йилининг охири
calculation of taxable income – солиққа тортиладиган даромадни ҳисоблаш
additional tax levy – қўшимча солиқ йиғиш
fixed tax allowances – белгиланган солиқ имтиёзлари
entirely – тўлиқ, тўлақонли
annually – йиллик
band – кўлам, қамров
immediate – бевосита
earnings – ишлаб топилган ҳақ

Ex.1. Answer the following questions according to the text "Income Taxes".

1. What did you learn about income tax in the first lines of the text?
2. What usually happens before tax is payable?
3. How is tax levied as income rises up?
4. What is marginal rate and why is it important?
5. How have governments tried to simplify income taxes?
6. What is a modern trend in taxation?
7. What is the basic qualitative difference in what income is liable to tax?
8. What is global approach to taxation?
9. What is a territorial system of tax?
10. What are the advantages of PAYE?
11. When can't the PAYE system operate?
12. What advantage has income tax over local tax property, sales or flat-rate head tax?

Ex.2. Find English equivalents of the following Uzbek words and word-combinations in the text and try to make up your own sentences with them.

даромад солиғи; бир қатор имтиёзларни белгиламоқ; солиққа тортилмайлиган даромад маблағларини ажратиб қўймоқ; солиқ барча шкалад ундирилади; даромад солиғини чегиримсиз олмақ; бир хил ставка бўйича солиққа тортмоқ; билвосита солиқлардан озод бўлмақ; солиққа тортиладиган даромад; солиқ органлари ходимлари; олинган даромадларни декларация қилмоқ; офшор ҳудуд; солиқ декларациясини тақдим этмоқ; сотилган маҳсулотлардан олинадиган солиқ

Ex.3. Find the words and word-combinations from the text which express the following meaning.

- easily seen or understood, clear
- increasing continuously
- an amount which is allowed or given
- riches, property
- including everything, whole
- a general direction, a tendency
- things that are bought and sold
- something that one must necessarily have
- make a complete statement of income
- take away
- have a result on

Ex.4. Match up the synonyms in two column.

main, liable to, regard, appear, devise, impose, entire, financial year, salary, skill, deduct, every year;
total, consider, basic, develop, subject to, originate, levy, efficiency, annually, take away, tax year, wages

Ex.5. Write down antonyms of the following words from the text.

tax-free; progressive; global approach; flat rate; decreasing; disadvantage; the lowest earners; to make complex; direct; obligatory; luxury; unpopular; advantages

Ex.6. Paraphrase the sentences in accordance with the text.

1. Income taxes are the most obvious taxes that individuals pay.
2. The governments take the lowest earners out of tax equation altogether.
3. Indirect taxes are generally optional.
4. The USA, the UK and the most advanced industrialized countries have global systems of taxation.
5. The chief advantage of PAYE is its efficiency.
6. Income tax is most directly related to ability to pay.
7. In most countries the income tax is progressive.
8. The government fixes a series of allowances.

Ex.7. Choose the right preposition and make up sentences with the following word-combinations.

- to pay tax **on/from/in** income
- to levy taxes **at/with/into** one rate
- to make allowance **on/for/onto** a taxation
- to tax smb. **after/on/with** the total
- to be liable **at/through/to** tax
- to be available **to/for/ into** people

Ex.8. Complete the sentences with the appropriate words from the box.

income	investments	flat-rate head tax	savings
allowances	regressive	additional	tax collectors
lump sum	particular	increasing	obvious, marginal

1. is only taxed in the country when it is transferred there.
2. An individual may have offshore, or dividends from
3. The income becomes liable to tax in that financial year.
4. PAYE has been adopted by an number of countries.
5. Employers effectively become unpaid
6. Some workers may have difficulty in finding a once a year.
7. A is levied on earners and non-earners alike.
8. This tax in contrast to progressive income tax, is
9. Taxes on income are the taxes.
10. Tax-payers often have some fixed by the state.
11. An tax is levied after the end of the financial year.
12. The highest rate paid by an individuals is called a rate.

Ex.9. Read the sentences and translate into Uzbek. Identify italicized words what parts of speech they are, how is it called this kind of word formation?

1. Money is also raised from the *issue* of government securities.
2. Countries *issue* government bonds to collect money for communal projects.
3. The tax *burden* on the individual in most Western countries seems to have fallen.
4. Governments *burden* on the individuals with new forms of taxes.
5. The level of taxation may *rise*.
6. The *rise* of the tax rates caused a lot of criticism.
7. Other *transfers* of capital may be subject to tax.
8. If an individual *transfers* his/her income from those savings in the country in question it becomes liable to tax in that financial year.
9. Some countries have taken a different *approach*.
10. We can easily *approach* the solution of this problem.

Ex.10. Complete the space with “better”, “more”, “less”, “worse”, “fewer”.

1. I've got some money. I've got than you have, but still not enough. 2. The tax regime was bad, but the new one is 3. This communal project is good, but that one is 4. Have you got much money? No, I have than you have. 5. Have you got many individuals and companies subject to tax? No, we have than you have. 6. Have you got any taxes on spending? Yes, we've got some. We've got than you have.

• What's what in tax and taxation

Match each word on the left with the correct definition on the right.

1. tax	a. part of income which subject to tax
2. levy	b. level, fixed percentage, interest
3. tax collection	c. money comes from tax and taxation
4. tax revenue	d. fixed sums of money people have to pay specific items, transactions
5. tax portion	e. the act of getting tax due from tax payers by tax authorities
6. tax rate	f. a payment of money that people have to pay to the government to provide public services
7. tax burden	g. when you do not have to pay tax
8. tax cuts	h. the amount of money to which a tax payer is responsible for paying taxes
9. taxation	i. when you pay less taxes because of reductions in tax rate
10. taxable	j. the system of imposing and collecting

	money by a government
11. tax free	k. the government body which is responsible for the implementation of the tax law
12. tax loophole	l. an income on which you have to pay tax
13. tax authorities	m. a legal method which allows a tax payer to pay the smallest amount of tax because of mistakes in the law

- **Read and translate the text “International Measurement of Personal Income Taxes” and answer the questions: Where does British system of personal taxation differ most from the other countries?**

TEXT

INTERNATIONAL MEASUREMENT OF PERSONAL INCOME TAXES

International comparative analysis of taxation is very complex. This is particularly true of the measurement of tax burden. Every major characteristic of personal income tax varies in each country. Exemptions, allowances and deductions are all treated differently. Moreover many concessions and transfers of tax payments can radically change the amount of net income. Nevertheless it is important to draw some conclusions from data dealing with the characteristic of personal income tax.

The most important variable factor in taxable income is the treatment of personal situation. In all five countries some tax differential is allowed to a married person usually in the form of a greater allowance than that given to a single person. Moreover, each country also gives greater exemptions for tax payers with children (although France has a different method of doing it). However, all the other countries except the UK have more tax advantages for people with families, by using the “income splitting” method of assessment (USA and Germany) or the “family unit” system as in France. Income splitting means that the total income of a couple (whether earned by husband or wife or both) is split in half, and is taxed, as if each were a separate income. Because of the progressive nature of tax rates, this results in a smaller overall tax liability than for single person.

In France the taxable income is split into a number of parts according to the situation and size of the tax payer’s family. In Sweden both husband and wife’s earned incomes are treated separately for tax.

In this aspect of personal taxation the British system of joint liability differs most radically from the other countries. The penalizing of married people in the upper income ranges, by very heavy tax on the wife’s earnings is wrong. It has a discouraging effect on the willingness of married women to work when this results in

the surtax range for the married couple. The resulting damage to the nation's economy is big.

In all the five countries the size of personal exemptions is similar (except in France where no such comparison is possible). But when tax becomes payable, it is at a higher rate (30 per cent) in Britain than elsewhere. At the other end of the scale the maximum marginal rate in the UK is well above the other countries particularly when taking into account the effect of income-splitting in the US, and the greater avoidance in France and perhaps Germany too. (*from "Britain's Taxes. Some International Comparisons"*)

Vocabulary list you may need

comparative – қиёсий	radically - тубдан
analysis – таҳлил	net - соф
measurement – ўлчов	differential - фарқи
major – асосий	splitting – қисмларга ажратиш
characteristic – тавсиф	assessment - баҳолаш
personal – шахсий	unit – бирлик, бўлак
vary – фарқ қилмоқ	joint – қўшма, ҳамкорликдаги
variable – ўзгарувчан	penalizing - ёмонлашмоқ
exemption – солиқдан озод	surtax – қўшимча даромад солиғи
treat – татбиқ қилмоқ	damage - зарар
concession – чегирма	scale - шкала
transfer – ажратма	well above – анча юқори

Ex.1. Translate the following words and word-combinations into Uzbek and try to make up sentence with them in English.

particularly when, taxable income, personal exemptions, tax advantages, to result in, to be treated separately, become payable, maximum marginal rate, income ranges, tax payments, nation's economy, separate income, liability

Ex.2. Identify that which English and Uzbek words and word-combinations matches each other in the list.

tax burden, income splitting, a discouraging effect, family unit, overall, according to, the upper income range, wife's earnings, become payable, elsewhere, to be split in half, to differ radically, to be similar, the surtax range, to be well above

даромаднинг қисмларга бўлиниши, оиланинг бир бутунлиги, солиқ юки, салбий таъсир, умумий, кенг қамровли, тўланадиган, икки бўлакка бўлиниши, турмуш ўртоғининг маоши, яна қаердадир, тубдан фарқ қилмоқ, қўшимча даромад солиғининг шкаласи, шунга мувофиқ, даромаднинг юқорилиги, айнан бўлмоқ, анча юқори