

Annotation

Prokopchuk E.T.

Peculiarities of the UK tax system

The UK tax system is one of the oldest and most developed in the world. This article deals with general trends in the development of modern British tax system, with the help of economic and statistical research methods, such as monographic, comparison, tabular and graphic ones. The specificity of its structure is found out, its features are characterized, in particular in terms of the ratio of direct and indirect taxes, tax revenues of the British budget and the characteristics of the UK tax system by major tax forms are analyzed.

By results of the study, a significant predominance of direct taxes over indirect ones and inactive social insurance system mainly directed to the financing of social assistance are characteristic for the UK tax system. Nearly half of tax revenues are direct taxes (49% of the total), one third of them are indirect taxes (33%) and only one fifth are social security contributions (18%) in the structure of the UK budget in 2015.

The study of classification features of the British tax system allowed forming an opinion on the simplicity of its structure. The current UK tax system consists of five main large groups of taxes: direct taxes on income, indirect taxes, local taxes, taxes on business activity and other taxes.

According to the results of research to the peculiarities of the British tax system should also include a high level of centralization of the fiscal system, in which among the European Union countries, the United Kingdom ranks second after Malta. In recent years, the implemented reforms of the British tax system are aimed at attracting foreign investment and improving the investment competitiveness of the country. The implementation of the UK experience in practice will facilitate the transition to a new sustainable and effective system of taxation. It will be based on a combination of advanced techniques and positive elements borrowed from the experience of tax systems of foreign countries that would give impetus to the strengthening of the social component of the tax system.

Keywords: *the British tax system, taxes, tax policy, direct taxes, indirect taxes, tax rates, social insurance, budget revenues.*